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August 31, 2016

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

**VIA ELECTRONIC FILING**

**RE: Wellsboro Electric Company – Supplement No. 102 to Tariff Electric – Pa. P.U.C. No. 8  
Docket No. R-2016-2531551**

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") is Wellsboro Electric Company's ("Wellsboro" or "Company"), Supplement No. 102 to Tariff Electric – Pa. P.U.C. No. 8 ("Supplement No. 102"). The purpose of Supplement No. 102 is to implement an increase to Wellsboro's distribution rates and other tariff changes. The proposed Tariff Supplement contains an issued date of August 31, 2016, and a proposed effective date of October 30, 2016.


Wellsboro also attaches for filing its Statement of Reasons and other required documentation supporting the proposed Tariff Supplement. This information includes the responses to the Commission's filing requirements set forth in 52 Pa. Code § 53.52(a), (b) and (c).

If you have any questions regarding the attached documents, please feel free to contact the undersigned. As shown by the attached Certificate of Service, the statutory parties are being duly served with a copy of this filing. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By

  
Pamela C. Polacek  
Adeolu A. Bakare

Counsel to Wellsboro Electric Company

c: Erin Laudenslager, Bureau of Technical Utility Services (via E-mail and First Class Mail)  
Certificate of Service

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**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

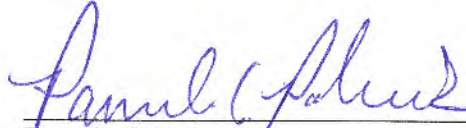
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\_\_\_\_\_  
Pamela C. Polacek

Counsel to Wellsboro Electric Company

Dated this 31<sup>st</sup> day of August, 2016, at Harrisburg, Pennsylvania.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Wellsboro Electric Company 2016	:	
Distribution Base Rate Filing	:	
	:	Docket No. R-2016-2531551
Supplement No. 102 to Tariff	:	
Electric - Pa. PUC No. 8	:	

**STATEMENT OF REASONS**

Wellsboro Electric Company ("Wellsboro" or "Company") hereby files with the Pennsylvania Public Utility Commission ("PUC" or "Commission") proposed Supplement No. 102 to Tariff Electric - Pa. PUC No. 8, with an issued date of August 31, 2016, and a proposed effective date of October 30, 2016. The Tariff Supplement reflects an increase in Wellsboro's distribution rates and other tariff changes. The Statement of Reasons provides a background of the filing and an explanation of the reasons necessitating the proposed distribution rate increase.

In addition, attached to this Statement of Reasons are the following documents in support of the proposed changes:

Tab A	Responses to 52 Pa. Code § 53.52(a)
Tab B	Responses to 52 Pa. Code § 53.52(b)
Tab C	Responses to 52 Pa. Code § 53.52(c)
Tab D	Spreadsheets Supporting Proposed Rates
Tab E	Rate of Return Information
Tab F	Proposed Tariff Supplement No. 102 to Tariff Electric - Pa. PUC No. 8
Tab G	Cost of Service Study
Tab H	Summary Chart of Proposed Distribution Rate Changes
Tab I	Bill Insert
Tab J	Press Release
Tab K	Affidavit of Craig C. Eccher

**I. DESCRIPTION OF COMPANY**

Wellsboro is a small investor-owned Electric Distribution Company ("EDC") providing service in the Borough of Wellsboro, Pennsylvania and surrounding areas in Tioga County.

Wellsboro is wholly-owned by C&T Enterprises, Inc. ("C&T"). C&T is a holding and management services company that currently also owns Wellsboro Electric Company of Lewisburg, PA ("Citizens") and Valley Energy, Inc. ("Valley Energy").

Wellsboro's service territory is predominantly rural and is surrounded by the service territory of Pennsylvania Electric Company ("Penelec") and Tri-County Rural Electric Cooperative. As of December 31, 2015, Wellsboro served 6,280 customers, of which 5,089 were residential and 1,191 were commercial and industrial. The documentation attached at Tab D, Schedule B5 of Exhibit\_\_ (HISG-1), shows the total customers served by Wellsboro on December 31, 2015, and the number of customers projected to be served as of December 31, 2016 and 2017. Wellsboro anticipates a small decrease in the overall number of customers, but a very large decrease in customer usage due to the announced closures of OSRAM Sylvania and HMAAC (Hitachi Metals Automotive Components).

Electric distribution service remains a service that is regulated by the Commission pursuant to traditional ratemaking processes under Chapter 13 of the Public Utility Code, 66 Pa. C.S. § 1301, *et seq.* Wellsboro continues to have the obligation to act as the Default Service Provider ("DSP") for all of the customers in its service territory in conformance with requirements set forth in the Competition Act, 66 Pa. C.S. § 2807.

## **II. AMOUNT AND REASONS FOR PROPOSED DISTRIBUTION RATE INCREASE**

Wellsboro conducted an analysis of whether the rates for its unbundled distribution service are sufficient to compensate the Company for the costs that it incurs to provide electric distribution service. As part of this analysis, Wellsboro segregated its revenues received from distribution service, by deducting from total revenues the portion received for generation supply purchases. As a result of that study, the Company determined that an overall distribution rate



increase of \$1,000,058 per year is necessary. Because additional and onerous filing requirements apply for cases requesting more than \$1 million in rate relief, Wellsboro is limiting its request to \$1,000,000. This analysis was conducted using 2017 as a Fully Projected Future Test Year, as authorized by the Public Utility Code.

The proposed increase is approximately 21.3% of Wellsboro's current annual distribution revenues. *See* Tab D, Schedule B6-1. When considering the Company's total annual revenues (distribution and generation supply), the overall increase is approximately 4.0%. *See id.*, Schedule B6 (showing annual total revenues of \$14,279,419). The summary spreadsheets supporting the Company's analysis are referenced in Tabs A, B, and C, and attached at Tab D of this filing. The proofs of revenues showing the impact of the rate increases on the Company's distribution revenues are attached at Tab D, Schedules B6 through B6-4.

Under current rates, Wellsboro earned a rate of return on its distribution business in 2015 of 7.13%. *See* Tab D, Schedule C1. In the Fully Projected Future Test Year, Wellsboro's return is projected to decline substantially to 3.41%, a level that is much too low for the short-term and long-term health of the Company. If the full request is granted, the Company will be able to earn a return of approximately 7.38%. Wellsboro believes that this is an appropriate return for its regulated distribution service, and is in line with the current expectations of investors in the marketplace. This is especially true for Wellsboro's investors because smaller utilities are generally viewed as being more risky due to their susceptibility to larger revenue fluctuations due to weather-related usage variations, loss of customers and other factors.

Since its last distribution rate increase, Wellsboro has continued to provide safe and reliable service to customers while at the same time the costs of providing that service have continued to grow. Wellsboro has been systematically replacing its aging distribution

infrastructure. Since the 2010 rate case, the Company will increase utility plant in service over \$8 million by the end of the future test year. *See* Tab D, Schedule C5-1. In a rural territory such as this, capital improvements and vegetation management are an ongoing and important activities to ensure service reliability.

In the last two years, Wellsboro implemented Electronic Data Interchange ("EDI") capabilities to facilitate customer choice. EDI enables competitive suppliers to obtain customer usage and other data, and to submit billing and other requests, over an electronic interface. A number of Wellsboro larger customers are buying electric supply from a competitive supplier, which would not be possible without EDI. Wellsboro also hopes that the administrative advantages to the suppliers of being able to use EDI for various functions will attract residential and small commercial suppliers to the Wellsboro territory.

Most significantly, OSRAM Sylvania and HMAC have announced facility closures. OSRAM Sylvania will close its Wellsboro facility in September 2016. HMAC has announced that the Wellsboro facility will close by the end of 2017. These two customers account for approximately 12% of the kWh in Wellsboro's territory. This is a large loss for the community and for the Company.

Above all, the proposed distribution rates will promote the continued provision of safe and reliable service by ensuring that Wellsboro will earn a fair and reasonable return on the resources invested in the distribution system. Wellsboro will be able to continue its capital investment in system improvements, as well as the current maintenance and replacement policies that have resulted in very safe, adequate and reliable service for customers. The new rates will also enhance Wellsboro ability to obtain capital, when necessary, to fund major system improvement projects that may be necessary in the future.

### III. RATES FOR SPECIFIC CUSTOMER CLASSES

The new rates for each Service Schedule are summarized in Tab H. The Company conducted a Cost of Service Study ("COSS") to determine the fixed and variable costs of providing service to each customer class.<sup>1</sup> The COSS is included as Tab G of this filing. Based on this study, Wellsboro proposes to allocate the distribution increase on a cost-causation basis, which will result in different percentage increases for each customer class. Tab D, Schedule B6-4 shows the increase that is allocated to each customer class. The Company was not able to move each customer class to full cost-of-service rates because this would have resulted in very large increases for residential customers and for the remaining industrial customers on Service Schedule No. 5 (IS). As a result, the Company's proposed allocation of the rate increase reflects an additional step in moving all customer classes toward their respective cost-to-serve.

For all rate schedules, Wellsboro proposes to increase the monthly customer charge. A very large portion of the revenues for most utilities are collected through variable charges (demand-based or energy-based), while the cost-to-serve for most customers is largely fixed. Wellsboro's revenues and costs are like those utilities. The Commission held an *en banc* hearing earlier this year to solicit input on potential alternative regulation methodologies to provide more certainty to utilities. Consistent with that process, Wellsboro proposes to depart from the traditional policy statement regarding the calculation of customer charges by adding a small portion of additional costs to the monthly customer charge. For smaller utilities, it is more appropriate to depart from the policy rather than implementing a surcharge mechanism such as a revenue stabilization clause.

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<sup>1</sup> Although Wellsboro is not required under Commission regulations to submit a COSS for a rate increase under \$1 million, the Company has prepared and submitted its study in order to accurately identify the cost responsibility for each customer class and to develop rates that are based on the "polestar" ratemaking principle of "cost of service." See *Lloyd v. Pennsylvania Pub. Util. Comm'n*, 904 A.2d 1010, 1020 (Pa. Commw. Ct. 2006).

As required by the Commission's regulations, Wellsboro also will reflect its anticipated obligations for various state taxes in the new distribution rates and reset its State Tax Adjustment Surcharge ("STAS") to 0.00%. As a result of resetting the STAS, the Company's Generation Supply Service Rate ("GSSR") will also change slightly.

In addition to the overall increases in distribution rates, the Company proposes to make certain changes to the rate design and terms for some Service Schedules. The major changes are summarized below.

**A. Service Schedule No. 1 – Residential Service (RS)**

As a distribution company, the majority of Wellsboro's costs to provide service are fixed and do not vary significantly with customers' consumption. For example, Wellsboro's costs to produce a monthly bill for a residential customer do not change if the customer uses 10 kWh of electricity per month or 1,000 kWh of electricity per month. Many other costs of providing distribution service also do not vary based on the amount of electricity that a customer uses. Therefore, Wellsboro is proposing to continue the evolution of its distribution rate design for Service Schedule No. 1 that was started in its 2007 rate case. Wellsboro's goal is to more accurately reflect the reality of the costs incurred by this class by increasing the Fixed Distribution Service Charge, a flat monthly fee to recover those fixed costs. Specifically, Wellsboro is proposing to increase the monthly Fixed Distribution Service Charge from \$9.75 to \$15.00. Wellsboro also proposes to increase the variable distribution charges from 3.7351 cents per kWh to 4.4500 cents per kWh for all energy consumption.

Based on the Company's calculations, the percentage increase in a typical Service Schedule No. 1 customer's total bill (distribution and generation supply) will be approximately 11.8%. Specifically, for the average residential customer using 700 kWh per month, the impact



on their monthly bill will be an increase of approximately \$10.25, from \$87.24 to \$97.49. See Tab D, Schedule B81 of Exhibit \_\_ (HSG-1).

In addition, Wellsboro is proposing changes to the "Application of Schedule" section to clarify that camps, cottages and other facilities served in the name of, or for the use of, a corporation, partnership, association, society or club are not eligible for residential service. Rather, such accounts are properly considered to be non-residential and served under Service Schedule No. 3.

Finally, Page 36 of the tariff contains language regarding billing for situations where multiple dwelling units in a single structure are supplied through a single meter. This language is being updated to reflect changes that were implemented in the distribution rate structure for Service Schedule No. 1 in prior rate cases.

**B. Service Schedule No. 2 – Residential Service –All Electric (RSAE)**

Although Wellsboro is in the process of eliminating Service Schedule No. 2, the Company has a small number of grandfathered accounts on this service. Wellsboro proposes to increase the Fixed Distribution Service Charge for these customers from \$9.75 to \$15.00, and to increase the variable distribution charge from 3.0824 cents per kWh to 4.5680 cents per kWh. These changes are consistent with the COSS. Wellsboro also revises the Monthly Minimum Charge consistent with the proposed rate changes for Service Schedule No. 2.

**C. Service Schedule No. 3 - Non-Residential Service (NRS and NRH)**

As with Service Schedule No. 1, and for the reasons discussed above, Wellsboro proposes to increase the monthly Fixed Distribution Service Charge Service Schedule No. 3, Non-Residential Service, for both NRS and NRH accounts. Specifically, Wellsboro proposes to increase the Fixed Distribution Service Charge for NRS accounts from \$10.00 per month to

\$15.00 per month and increase the variable distribution charge from 5.8937 cents per kWh to 5.9230 cents per kWh. The Monthly Minimum Charge also increases to \$15.00.

Based on the Company's calculations, the percentage increase in a typical Service Schedule NRS customer's total bill (distribution and generation supply) will be approximately 7.0%. Specifically, for the average NRS customer using 480 kWh per month, the impact on their monthly bill will be an increase of approximately \$5.14, from \$73.50 to \$78.64. See Tab D, Schedule B8.

The Company also provides Non-Residential Space Heating service under Service Schedule No. 3 (NRH). For those accounts, the Company proposes to increase the Fixed Monthly Distribution Service Charge from \$10.00 per month to \$15.00 per month. The variable distribution service charge is proposed to increase from 4.7761 cents per kWh to 7.0160 cents per kWh. The Monthly Minimum Charge also increases to \$15.00.

**D. Service Schedule No. 4 – Commercial Service (Minimum 7 kW) (CS and CSH)**

As noted above, the majority of Wellsboro's costs to provide electric distribution service are fixed. As the next step in the ongoing effort of ensuring that Wellsboro's distribution rate design for Service Schedule No. 4 properly reflects the fixed nature of most distribution costs, Wellsboro proposes to increase its monthly Fixed Distribution Service Charge for CS customers from \$28.00 to \$35.00, and to increase the monthly demand charge from \$5.00 to \$6.00 for all kW. The variable distribution charge will also increase from 1.9111 cents per kWh to 2.1290 cent per kWh.

The impact of this rate modification on the total monthly bill for the CS customer will vary depending on Billing Demand and monthly usage (*i.e.*, load factor). For example, the bill for a commercial customer with a 10 kW Billing Demand using approximately 2,555 kWh per

month would increase by \$22.57 per month, from \$314.24 to \$336.81, if the full increase is approved. Similarly, the bill for a commercial customer with a Billing Demand of 25 kW using approximately 10,950 kWh per month would increase by \$55.86 per month, from \$1,165.45 to \$1,221.31. *See* Tab D, Schedule B8. These examples may not represent the actual increase (or decrease) for every customer on Service Schedule No. 4. As a result, any customer with questions may contact Wellsboro for information regarding their specific account. The Monthly Minimum Charge calculation is changed to reflect the new proposed rate levels.

In addition, Wellsboro is proposing changes to move and clarify the explanation of when a customer will be transferred to or from Service Schedule No. 4. Finally, the Company proposes to modify the determination of the monthly billing demand for Service Schedule No. 4. Specifically, the Billing kW will be the greater of the actual monthly maximum demand or 50% of the highest demand during the preceding 11 months, but not less than 7 kW. The current ratchet is 80%.

The Company also provides Commercial Service - Space Heating under Service Schedule No. 4 (CSH). For those accounts, the Company proposes to increase the Fixed Monthly Distribution Service Charge from \$28.00 per month to \$50.00 per month. The variable distribution service charge is proposed to increase from 3.9005 cents per kWh to 5.0600 cents per kWh. The Monthly Minimum Charge is updated to reflect the revised rates.

#### **E. Service Schedule No. 5 – Industrial Service (IS)**

The Company proposes to keep the current distribution rate structure for Service Schedule No. 5, but to increase each of the rate elements. The Fixed Distribution Service Charge increases from \$42.50 to \$80.00; the demand charge increases from \$6.54 per kW to \$8.00 per kW; the first block of the variable distribution charge increases from 1.3536 cents per kWh to 2.0110 cents per kWh; and the tail block of the variable distribution charge increases from

0.0800 cents per kWh to 0.1050 cents per kWh. The Monthly Minimum Charge also changes consistent with the new rates.

Similar to Service Schedule No. 4, Wellsboro proposes to change the monthly Billing kW calculation to reflect a 50% demand ratchet, rather than the current 80%.

**F. Service Schedules Nos. 6 & 7—Lighting**

The Company is increasing the distribution charges for Service Schedules Nos. 6 and 7—Municipal Street Lighting and Private Outdoor Lighting Service. The specific rates are included in Supplement No. 102. Wellsboro also proposes new language for the service schedules regarding the assumed monthly kWh consumption for each type of light.

**G. Service Schedule No. 8 – Exchange of Service**

At times, the Company provides energy on an emergency basis to customers of other utilities. When this occurs, Wellsboro bills the utility for the supply at the GSSR rate and for the distribution of the power. Wellsboro proposes to increase the distribution charge for the delivery of this power from 5.6658 cents per kWh to 7.5420 cents per kWh.

**H. Other Tariff Change**

The Company is updating the definition of "connected load" in the tariff. The update adds examples of the types of equipment that are included in the calculation (e.g., motors, lights and other equipment).

**V. NOTICE PROCEDURES AND EFFECTIVENESS OF PROPOSED RATE CHANGES**

Wellsboro has elected to proceed under the provisions of Section 53.45(b)(4) of the Commission's regulations in providing notice to its customers of its rate change. *See* 52 Pa. Code § 53.45(b)(4). Accordingly, all customers of record as of August 30, 2016, will receive a



bill insert of the Notice of Proposed Rate Increase and Tariff changes attached at Tab I. In addition, Wellsboro today issued a press release in the format shown in Tab J.

#### **VI. ADDITIONAL INFORMATION**

The Company has engaged HSG Group, Inc. ("HSG Group") to prepare the supporting information and cost analyses submitted with this filing. To the extent evidentiary hearings are convened regarding this matter, representatives from HSG Group will testify in support of the calculations. In addition, the Company may rely on testimony from various personnel as necessary during this process.

#### **VII. APPEARANCE OF COUNSEL**

Wellsboro will be represented regarding this filing by the following attorneys:

Pamela C. Polacek (PA I.D. No. 78276)  
Adeolu A. Bakare (PA I.D. No. 208541)  
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All inquiries or pleadings regarding this filing should be directed to Ms. Polacek and Mr. Bakare at the address and telephone number noted above. The Company encourages interested parties to informally contact its attorneys to discuss any questions or concerns related to the filing.

**VIII. CONCLUSION**

**WHEREFORE**, Wellsboro Electric Company requests that the Pennsylvania Public Utility Commission review and approve its proposed Supplement No. 102 to Tariff Electric - Pa. PUC No. 8 effective on October 30, 2016.

Respectfully submitted

McNEES WALLACE & NURICK LLC

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Counsel to Wellsboro Electric Company

Dated: August 31, 2016

# TAB A

**RESPONSES TO 52 PA CODE § 53.52(a)**



**52 Pa. Code § 53.52(a)(1) The specific reasons for filing this change.**

A full explanation of the reasons for filing this change is set forth in the Statement of Reasons accompanying the filing. In general, this Tariff Supplement is being filed in order to increase distribution rates to provide necessary funding for the operation, maintenance and improvement of Wellsboro Electric Company ("Wellsboro" or "Company") distribution system. The increases are necessary for Wellsboro to be able to continue its capital investment in system improvements, as well as its current maintenance and replacement policies, and to enhance Wellsboro's ability to obtain capital to fund major system improvement projects that may be necessary in the future. The changes to the Tariff terms and conditions are necessary to ensure appropriately designed rates that properly reflect the costs of providing distribution electric service.

**52 Pa. Code § 53.52(a)(2) The total number of customers served by the utility.**

The total number of customers served by the Company as of December 31, 2015, is 6,280, of which 5,089 customers are residential, and 1,191 customers are commercial and industrial. The table at Schedule B5 in Exhibit\_\_(HSG-1), Tab D, is provided in response to 52 Pa. Code 53.52(b)(3) and shows the number of customers served as of December 31, 2015, and the number projected to be served on December 31, 2016, and December 31, 2017.

**52 Pa. Code § 53.52(a)(3) A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.**

All of Wellsboro's customers on all service schedules will be impacted by the rate changes. Schedule B5 of Exhibit\_\_(HSG-1), Tab D, demonstrates the total number of customers in each class that may be affected by the change as of December 31, 2016, and December 31, 2017, as follows:

Residential	5,089
Commercial and Industrial	1,191

In further response to this question, however, the Company has prepared Schedule B2 of Exhibit\_\_(HSG-1), Tab D, indicating the number of monthly bills in each rate class that will be impacted.

**52 Pa. Code § 53.52(a)(4) The effect of the change on the utility's customers.**

Distribution rates applicable to all of Wellsboro's customers will increase as a result of this filing. In addition, the rate structure changes increase monthly customer charges will better reflect the nature of the fixed costs that Wellsboro incurs in serving these ratepayers and provide more accurate price signals to customers regarding their usage of the distribution system. The end result will be rates that more accurately reflect each the costs to serve each class.



**52 Pa. Code § 53.52(a)(5) The direct or indirect effect of the proposed change on the utility's revenue and expenses.**

The proposed changes will increase Wellsboro's distribution revenues by approximately 21.3% per year. Wellsboro's total annual revenues will increase by approximately 6.9%. The other tariff changes will not impact the Company's revenues or expenses in a material manner.

**52 Pa. Code § 53.52(a)(6) The effect of the change on the service rendered by the utility.**

The level of service Wellsboro provides its customers will be maintained and improved as a result of current and planned system maintenance and upgrades. The proposed increase is necessary to fund those efforts, as well as major system improvement projects that may be necessary in the future.

**52 Pa. Code § 53.52(a)(7) A list of factors considered by the utility in its determination to make the change.**

The Company conducted analyses that determined that system maintenance and upgrades will be necessary to maintain and enhance the reliability of service that it provides. In addition, the Company examined its current and projected revenues and expenses, and determined that current rates do not adequately recover the Company's current costs of operating the distribution system plus a reasonable return. Finally, the Company conducted a Cost of Service Study to determine how the rate increase should be allocated among customer classes in order to move rates towards cost of service, and to examine its current rate structure to propose changes to move towards rate structure that better reflect the costs that are incurred by the Company.

**52 Pa. Code § 53.52(a)(8) Studies undertaken by the utility in order to draft its proposed change.**

The Company performed a financial analysis of its costs to provide distribution service in drafting the proposed changes. The Company also analyzed the appropriate rate of return for its investment in the utility plant and facilities. The Company also performed a Cost of Service Study.

**52 Pa. Code § 53.52(a)(9) Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.**

The Company has taken no customer polls relative to the proposed changes.



**52 Pa. Code § 53.52(a)(10) Plans the utility has for introducing or implementing the changes with respect to its ratepayers.**

All customers have received, or will receive, a bill insert of the Notice of Proposed Rate Increase and Tariff changes in the format shown in Tab I. In addition, the Company issued the press release attached at Tab J on August 31, 2016.

**52 Pa. Code § 53.52(a)(11) F.C.C., F.E.R.C. or Commission orders or rulings applicable to the filing.**

None.

# TAB B

**RESPONSES TO 52 PA CODE § 53.52(b)**

**52 Pa. Code § 53.52(b)(1) The specific reasons for each increase or decrease.**

See response to Section 53.52(a)(1) at Tab A and Statement of Reasons.

**52 Pa. Code § 53.52(b)(2) The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing. Water and wastewater utilities with annual revenues under \$100,000 and municipal corporations subject to Commission jurisdiction may provide operating income statements for a 12-month period, the end of which may not be more than 180 days prior to the filing.**

See Schedule C1 of Exhibit \_\_ (HSG-1) provided in response to 52 Pa. Code § 53.52(c)(1) at Tab D.



**52 Pa. Code § 53.52(b)(3) A calculation of the number of customers, by tariff subdivision, whose bills will be increased.**

See response to 52 Pa. Code § 53.52(a)(3) at Tab A.

The Company has prepared Schedule B5 in Exhibit\_\_(HSG-1), Tab D, indicating the number of monthly bills in each rate class that will experience a rate increase as a result of this filing over the course of the future test year.

**52 Pa. Code § 53.52(b)(4) A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.**

See Tab D, Schedule B6-1 of Exhibit\_\_(HISG-1).

**52 Pa. Code § 53.52(b)(5) A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.**

None.

**52 Pa. Code § 53.52(b)(6)** A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.

None.

# TAB C

**RESPONSES TO 52 PA CODE § 53.52(e)**



**52 Pa. Code § 53.52(c)(1) A statement showing the utility's calculation of the rate of return or operating ratio (if the utility qualifies to use an operating ratio under § 53.54 (relating to small water and wastewater utilities)) earned in the 12-month period referred to in subsection (b)(2), and the anticipated rate of return or operating ratio to be earned when the tariff revision or supplement becomes effective. The rate base used in this calculation shall be supported by summaries of original cost for the rate of return calculation, it shall be supported by studies of margin above operation and maintenance expense plus depreciation as referred to in § 53.54(b)(2)(B).**

See Schedule C1 of Exhibit\_\_ (HSG-1) at Tab D. This schedule is also provided as a stand-alone document at Tab E.

**52 Pa. Code § 53.52(c)(2) A detailed balance sheet of the utility as of the close of the period referred to in subsection (b)(2).**

See Schedule C2 of Exhibit \_\_ (HSG-1) at Tab D.

**52 Pa. Code § 53.52(c)(3) A summary, by detailed plant accounts, of the book value of the property of the utility at the date of the balance sheet required by paragraph (2).**

See Schedule C3 of Exhibit\_\_(HSG-1) at Tab D.

**52 Pa. Code § 53.52(c)(4) A statement showing the amount of depreciation reserve, at the date of the balance sheet required by paragraph (2), applicable to the property, summarized as required by paragraph (3).**

See Schedule C4 of Exhibit\_\_(HSG-1) at Tab D.

**52 Pa. Code § 53.52(c)(5) A statement of operating income, setting forth the operating revenues and expenses by detailed accounts for the 12-month period ending on the date of the balance sheet required by paragraph (2).**

See Schedule C5 of Exhibit\_\_(HSG-1) at Tab D.

**52 Pa. Code § 53.52(c)(6) A brief description of a major change in the operating or financial condition of the utility occurring between the date of the balance sheet required by paragraph (2) and the date of transmittal of the tariff, revision or supplement. As used in this paragraph, a major change is one which materially alters the operating or financial condition of the utility from that reflected in paragraphs (1)-(5).**

None.



# TAB D

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017  
INDEX TO SCHEDULES

Line	DESCRIPTION	PERIOD	PAGES
1	<u>A</u> Index To Schedules		2
3	<b>RATES AND REVENUE</b>		
4	<u>B</u> Operating Revenues Under Present Rates	12/31/2015, 12/31/2016 and 12/31/2017	1
5	<u>B1</u> Summary Of Electric Sales, Customers And Revenue At Present Rates	Historic Year 2015	1
6	<u>B1-1</u> Billing Units, Rates And Revenue At Present Rates	Historic Year 2015	1
7	<u>B2</u> Summary Of Electric Sales, Customers And Revenue At Present Rates	Future Test Year 2016	1
8	<u>B2-1</u> Billing Units, Rates And Revenue At Present Rates	Future Test Year 2016	1
9	<u>B3</u> Summary Of Electric Sales, Customers And Revenue At Present Rates	Fully Projected Future Test Year 2017	1
10	<u>B3-1</u> Billing Units, Rates And Revenue At Present Rates	Fully Projected Future Test Year 2017	1
11	<u>B4</u> Bill Analysis- Revenues Under Present Rates	Historic Year 2015	1
12	<u>B5</u> Number of Customers Served Whose Bills Will be Increased	12/31/2015, 12/31/2016 and 12/31/2017	1
14	<u>B6</u> Operating Revenue Under Present Rates and Proposed Rates	12/31/2015, 12/31/2016 and 12/31/2017	1
15	<u>B6-1</u> Summary Of Proposed Increase to Distribution Revenue	Fully Projected Future Test Year 2017	1
16	<u>B6-2</u> Summary Of Electric Sales, Customers And Revenue At Proposed Rates	Fully Projected Future Test Year 2017	1
17	<u>B6-3</u> Billing Units, Rates And Revenue At Proposed Rates	Fully Projected Future Test Year 2017	1
18	<u>B6-4</u> Proposed Revenue By Rate Class	Fully Projected Future Test Year 2017	1
20	<b>TARIFF RATES</b>		
21	<u>B7</u> Summary Of Present And Proposed Rates	Fully Projected Future Test Year 2017	1
22	<u>B8</u> Bill Comparisons (including GSSR)	Fully Projected Future Test Year 2017	4
23	<u>B8-1</u> Bill Comparisons (excluding GSSR)	Fully Projected Future Test Year 2017	4
25	<b>NET OPERATING INCOME AND RATES OF RETURN</b>		
26	<u>C1</u> Net Operating Income And Rates of Return	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1
27	<u>C1-1</u> Net Operating Income And Rates of Return- Support Sheet No. 1- Operating Expense and Going-Level Adjustments	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	2
28	<u>C1-2</u> Net Operating Income And Rates of Return- Support Sheet No. 2- Adjustment to remove Generation & Transmission revenue and expenses	Historic Year 2015	1
29	<u>C1-2A</u> Net Operating Income And Rates of Return- Support Sheet No. 2A- Adjustment to Add Employee and Related Costs	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1
30	<u>C1-3</u> Net Operating Income And Rates of Return- Support Sheet No. 3- Taxes Other Than Income	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1
31	<u>C1-4</u> Net Operating Income And Rates of Return- Support Sheet No. 4- Income Tax Calculations	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1

A

**Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017  
INDEX TO SCHEDULES**

Line	DESCRIPTION	PERIOD	PAGES
32	<u>C1-5</u> Net Operating Income And Rates of Return- Support Sheet No. 5- Pension and OPEB	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1
33	<u>C1-6</u> Net Operating Income And Rates of Return- Support Sheet No. 6- Computation of Rate Base	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1
34	<u>C1-7</u> Summary of Cost of Capital and Fair Rate of Return Based upon a Hypothetical Ratemaking Capital Structure	12/31/2017	
35			
36	<u>C2</u> Balance Sheets	12/31/2015, 12/31/2016 and 12/31/2017	2
37	<u>C3</u> Original Cost of Utility Plant in Service	12/31/2015, 12/31/2016 and 12/31/2017	2
38	<u>C4</u> Reserve for Depreciation of Utility Plant	12/31/2015, 12/31/2016 and 12/31/2017	1
39			
40	<u>C5</u> Operating Income Setting Forth the Operating Revenues and Expenses at Present Rates	Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017	1
41	<u>C5-1</u> Comparison to Prior Rate Case	Prior Rate Case and Fully Projected Future Test Year 2017	1
42	<b>DEVELOPMENT OF ALLOCATORS FOR CLASS COST OF SERVICE</b>		
43	<u>D</u> Summary of Allocator Values		1
44	<u>D1</u> Distribution System Functionalization and Classification		1
45	<u>D2</u> NCP- Sum of Customers' Usage		1
46	<u>D3</u> Transformers Classification		1
47	<u>D4</u> Service Costs		1
48	<u>D5</u> Meter Costs		1
49	<u>D6</u> Customer Deposits and Advances; Uncollectible Accounts		1
50			
51	<b>CLASS COST OF SERVICE</b>		
52	<u>E</u> Class Cost of Service Study	See separate index	

B

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Operating Revenues Under Present Rates**  
**12/31/2015, 12/31/2016 and 12/31/2017**  
**Answer to 52 Pa. Code 53.52 b[2]**

Line	Customer Type				Present Rates	Present Rates
		Historic Year 2015 Total Revenue	Historic Year 2015 GSSR and Transmission	Historic Year 2015 Distribution Only	Future Test Year 2016 Distribution Only	Fully Projected Future Test Year 2017 Distribution Only
		<i>B1</i>	<i>B1</i>		<i>B2-1</i>	<i>B3-1</i>
1	Residential	\$5,757,630	(\$3,541,054)	\$2,216,576	\$2,243,733	\$2,248,884
2	Commercial and Industrial	8,560,212	(6,175,807)	2,384,404	2,116,683	2,121,753
3	Lighting	160,714	(69,176)	91,538	91,538	91,538
4	Sales for resale	15,872	(9,329)	6,542	6,516	6,516
5		14,494,428	(9,795,367)	4,699,061	4,458,470	4,468,690
6						
7	Forfeited Discounts	34,274		34,274	34,274	34,274
8	Rent from Electric Property	69,416		69,416	69,416	69,416
9	Other electric revenue	(4,937)		(4,937)	(4,937)	(4,937)
10	GSSR under (over) and E-factors	(299,605)	299,605	0		
11	Consumed not billed	(14,157)	14,157	0		
12	<b>Total Operating Revenues</b>	<b>\$14,279,419</b>	<b>(\$9,481,605)</b>	<b>\$4,797,814</b>	<b>\$4,557,223</b>	<b>\$4,567,443</b>
13						
14	<u>kWh</u>					
15	Residential	43,511,562	43,511,562	43,511,562	44,244,571	44,379,921
16	Commercial and Industrial	76,126,769	76,126,769	76,126,769	64,996,921	60,716,126
17	Lighting	849,894	849,894	849,894	854,128	854,128
18	Sales for resale	115,473	115,473	115,473	115,000	115,000
19		120,603,698	120,603,698	120,603,698	110,210,620	106,065,175
20						
21						

B1

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Summary Of Electric Sales, Customers And Revenue At Present Rate:  
Historic Year 2015

		Revenue - Present Rates							
Sales (kWh)	Average Customers	Fixed Customer Charge	Variable Distribution-Energy	Variable Distribution-Demand	Distribution Total	GSRR	Total Revenue		
<u>Residential Customers</u>									
Schedule 1- RS	42,895,950	5,045	\$590,216	\$1,602,207	\$0	\$2,192,423	\$3,490,604	\$5,683,027	
Schedule 2- RSAE	615,612	44	5,177	18,976	0	24,153	50,450	74,603	
	43,511,562	5,089	595,394	1,621,182	0	2,216,576	3,541,054	5,757,630	
<u>Commercial and Industrial Customers</u>									
Schedule 3- NRS	4,485,142	822	98,690	264,341	0	363,031	365,466	728,496	
Schedule 3- NRH	19,496	2	240	931	0	1,171	1,623	2,794	
Schedule 4- CS	27,863,251	351	118,076	532,495	569,875	1,220,446	2,264,334	3,484,779	
Schedule 4- CSH	24,440	1	336	953	0	1,289	2,030	3,319	
Schedule 5- IS	43,734,440	14	7,207	187,769	603,492	798,468	3,542,356	4,340,823	
	76,126,769	1,191	224,549	986,489	1,173,367	2,384,404	6,175,807	8,560,212	
Schedule 6- Municipal Street Lights	218,766	2	0	21,219	0	21,219	17,721	38,940	
Schedule 7- Private Outdoor Lights Lighting	631,128	0	0	70,320	0	70,320	51,455	121,774	
	849,894	2	0	91,538	0	91,538	69,176	160,714	
Schedule 8- Exchange Utility	115,473	4	0	6,542	0	6,542	9,329	15,872	
<b>TOTAL</b>	<b>120,603,698</b>	<b>6,286</b>	<b>\$819,943</b>	<b>\$2,705,751</b>	<b>\$1,173,367</b>	<b>\$4,699,061</b>	<b>\$9,795,367</b>	<b>\$14,494,428</b>	

B1-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Billing Units, Rates And Revenue At Present Rates**  
**Historic Year 2015**

Line	Sch. 1- RS	Sch. 2- RSAE	Sch. 3- NRS	Sch. 3- NRH	Sch. 4- CS	Sch. 4- CSH	Sch. 5- IS	Sch. 6- MSL	Sch. 7- POL	Sch. 8- EU	Total	
1	<b>BILLING UNITS</b>											
2	kWh Sales	42,895,950	615,612	4,485,142	19,496	27,863,251	24,440	43,734,440	218,766	631,128	115,473	120,603,698
3	GSSR Sales	42,895,950	615,612	4,485,142	19,496	27,863,251	24,440	43,734,440	218,766	631,128	115,473	120,603,698
4												
5	Number of Bills	60,535	531	9,869	24	4,217	12	168	24		48	75,428
6	Average Monthly Bills	5,045	44	822	2	351	1	14	2		4	6,286
7												
8	<b>Annual Billing Units- Public Lighting and Street Lighting Historic Year 2015</b>											
9	Rate 1							2,832	5,448			8,280
10	Rate 2							72	240			312
11	Rate 3							420	3,672			4,092
12	Rate 4							0	696			696
13												
14	<b>RATES AND CHARGES</b>											
15	<b>Tariff Rates</b>											
15	Customer Charge	\$9.75	\$9.75	\$10.00	\$10.00	\$28.00	\$28.00	\$42.90	\$0.00	\$0.00	\$0.00	
16												
17	Energy Block 1	\$0.03735	\$0.03082	\$0.05894	\$0.04776	\$0.019111	\$0.039005	\$0.013536	\$6.11	\$6.41	\$0.056658	
18	Energy Block 2							\$0.000800	\$10.80	\$11.16		
19									\$7.47	\$7.47		
20									\$7.60	\$7.60		
21	Block 1 kWh = Demand X							130				
22	Demand Block 1					\$5.00		\$6.54				
23	Demand Block 2											
24												
25	GSSR Rate- Average	\$0.078460	\$0.079290	\$0.078550	\$0.080900	\$0.078260	\$0.080760	\$0.077900	\$0.077940	\$0.078460	\$0.077820	
26	STAS Rate	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	
27												
28	<b>COMPUTATION OF REVENUE</b>											
29	Customer Charge Revenue	\$90,216	5,177	98,690	240	118,076	336	7,207	0	0	0	819,943
30												
31	Distribution kWh Revenue	1,602,207	18,976	264,341	931	532,495	953	187,769	21,219	70,320	6,542	2,705,751
32	Distribution Demand Revenue	0	0	0	0	569,875	0	603,492	0	0	0	1,173,367
33	STAS Revenue- Distribution	0	0	0	0	0	0	0	0	0	0	0
34	<b>Total Distribution Revenue</b>	<b>1,602,207</b>	<b>18,976</b>	<b>264,341</b>	<b>931</b>	<b>1,102,370</b>	<b>953</b>	<b>791,260</b>	<b>21,219</b>	<b>70,320</b>	<b>6,542</b>	<b>3,879,118</b>
35												
36	GSSR / Penelec \$0.081219	3,490,604	50,450	365,466	1,623	2,264,334	2,030	3,542,356	17,721	51,455	9,329	9,795,367
37	STAS Revenue- GSSR	0	0	0	0	0	0	0	0	0	0	0
38	<b>Total GSSR Revenue</b>	<b>3,490,604</b>	<b>50,450</b>	<b>365,466</b>	<b>1,623</b>	<b>2,264,334</b>	<b>2,030</b>	<b>3,542,356</b>	<b>17,721</b>	<b>51,455</b>	<b>9,329</b>	<b>9,795,367</b>
39	<b>Total Revenue</b>	<b>\$5,683,027</b>	<b>\$74,603</b>	<b>\$728,496</b>	<b>\$2,794</b>	<b>\$3,484,779</b>	<b>\$3,319</b>	<b>\$4,340,823</b>	<b>\$38,940</b>	<b>\$121,774</b>	<b>\$15,872</b>	<b>\$14,494,428</b>
40												
41	<b>BILLING UNITS- DETAIL</b>											
42	Block 1 kWh Sales	42,895,950	615,612	4,485,142	19,496	27,863,251	24,440	11,996,010	218,766	631,128	115,473	88,865,268
43								31,738,430				31,738,430
44												
45	Block 1 kW Demand					113,975		92,277				206,252

B2

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Summary Of Electric Sales, Customers And Revenue At Present Rates  
Future Test Year 2016

	Sales (kWh)	Average Customers	Revenue - Present Rates				
			Fixed Customer Charge	Variable Distribution-Energy	Variable Distribution-Demand	Distribution Total	
1							
2	<u>Residential Customers</u>						
3	Schedule 1- RS	43,595,101	5,045	\$590,216	\$1,628,321	\$0	\$2,218,537
4	Schedule 2- RSAE	649,470	44	5,177	20,019	0	25,197
5		44,244,571	5,089	595,394	1,648,340	0	2,243,733
6							
7	<u>Commercial and Industrial Customers</u>						
8	Schedule 3- NRS	4,870,788	822	98,690	287,070	0	385,760
9	Schedule 3- NRH	40,000	2	240	1,910	0	2,150
10	Schedule 4- CS	28,120,188	351	118,076	537,405	569,875	1,225,356
11	Schedule 4- CSH	30,000	1	336	1,170	0	1,506
12	Schedule 5- IS	31,935,945	13	6,692	120,431	374,788	501,911
13		64,996,921	1,190	224,034	947,986	944,663	2,116,683
14							
15	Schedule 6- Municipal Street Lights	223,000	2	0	21,219	0	21,219
16	Schedule 7- Private Outdoor Lights	631,128	0	0	70,320	0	70,320
17	Lighting	854,128	2	0	91,538	0	91,538
18							
19	Schedule 8- Exchange Utility	115,000	4	0	6,516	0	6,516
20							
21	TOTAL	110,210,620	6,285	\$819,428	\$2,694,380	\$944,663	\$4,458,470



B2-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Billing Units, Rates And Revenue At Present Rates**  
**Future Test Year 2016**

Line	Sch. 1- RS	Sch. 2- RSAE	Sch. 3- NRS	Sch. 3- NRH	Sch. 4- CS	Sch. 4- CSII	Sch. 5- IS	Sch. 6- MSE	Sch. 7- POL	Sch. 8- EU	Total	
1	<b>BILLING UNITS</b>											
2	kWh Sales	43,595,101	649,470	4,870,788	40,000	28,120,188	30,000	31,935,945	223,000	631,128	115,000	110,210,620
3												
4	Number of Bills	60,535	531	9,869	24	4,217	12	156	24		48	75,416
5	Average Monthly Bills	5,045	44	822	2	351	1	13	2		4	6,285
6												
7	<b>Annual Billing Units- Public Lighting and Street Lighting Historic Year 2015</b>											
8	Rate 1								2,832	5,448		8,280
9	Rate 2								72	240		312
10	Rate 3								420	3,672		4,092
11	Rate 4								0	696		696
12												
13	<b>RATES AND CHARGES</b>											
14	<b>Tariff Rates</b>											
14	Customer Charge	\$9.75	\$9.75	\$10.00	\$10.00	\$28.00	\$28.00	\$42.90	\$0.00	\$0.00	\$0.00	
15												
16	Energy Block 1	\$0.03735	\$0.03082	\$0.05894	\$0.04776	\$0.01911	\$0.03901	\$0.01354	\$6.11	\$6.41	\$0.05666	
17	Energy Block 2							\$0.00080	\$10.80	\$11.16		
18									\$7.47	\$7.47		
19									\$7.60	\$7.60		
20	Block 1 kWh = Demand X							130				
21	Demand Block 1					\$5.00		\$6.54				
22	Demand Block 2											
23												
24	GSSR Rate- Average											
25	STAS Rate											
26												
27	<b>COMPUTATION OF REVENUE</b>											
28	Customer Charge Revenue	590,216	5,177	98,690	240	118,076	336	6,692	0	0	0	819,428
29												
30	Distribution kWh Revenue	1,628,321	20,019	287,070	1,910	537,405	1,170	120,431	21,219	70,320	6,516	2,694,380
31	Distribution Demand Revenue	0	0	0	0	569,875	0	374,788	0	0	0	944,663
32	STAS Revenue- Distribution	0	0	0	0	0	0	0	0	0	0	0
33	Total Distribution Revenue	1,628,321	20,019	287,070	1,910	1,107,280	1,170	495,219	21,219	70,320	6,516	3,639,042
34												
35	<b>Total Revenue</b>	<b>\$2,218,537</b>	<b>\$25,197</b>	<b>\$385,760</b>	<b>\$2,150</b>	<b>\$1,225,356</b>	<b>\$1,506</b>	<b>\$501,911</b>	<b>\$21,219</b>	<b>\$70,320</b>	<b>\$6,516</b>	<b>\$4,458,470</b>
36												
37	<b>BILLING UNITS- DETAIL</b>											
38	Block 1 kWh Sales	43,595,101	649,470	4,870,788	40,000	28,120,188	30,000	7,449,910	223,000	631,128	115,000	85,724,585
39								24,486,035				24,486,035
40												
41	Block 1 kW Demand					113,975		57,307				171,282

B3

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Summary Of Electric Sales, Customers And Revenue At Present Rates  
Fully Projected Future Test Year 2017

	Sales (kWh)	Average Customers	Revenue - Present Rates				
			Fixed Customer Charge	Variable Distribution-Energy	Variable Distribution-Demand	Distribution Total	
1							
2	<u>Residential Customers</u>						
3	Schedule 1- RS	43,745,001	5,045	\$590,216	\$1,633,920	\$0	\$2,224,136
4	Schedule 2- RSAE	634,920	44	5,177	19,571	0	24,748
5		44,379,921	5,089	595,394	1,653,490	0	2,248,884
6							
7	<u>Commercial and Industrial Customers</u>						
8	Schedule 3- NRS	4,900,788	822	98,690	288,838	0	387,528
9	Schedule 3- NRH	40,000	2	240	1,910	0	2,150
10	Schedule 4- CS	28,516,938	351	118,076	544,987	569,875	1,232,938
11	Schedule 4- CSH	30,000	1	336	1,170	0	1,506
12	Schedule 5- IS	27,228,400	12	6,178	116,665	374,788	497,630
13		60,716,126	1,189	223,520	953,570	944,663	2,121,753
14							
15	Schedule 6- Municipal Street Lights	223,000	2	0	21,219	0	21,219
16	Schedule 7- Private Outdoor Lights	631,128	0	0	70,320	0	70,320
17	Lighting	854,128	2	0	91,538	0	91,538
18							
19	Schedule 8- Exchange Utility	115,000	4	0	6,516	0	6,516
20							
21	TOTAL	106,065,175	6,284	\$818,913	\$2,705,114	\$944,663	\$4,468,690

B3-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Billing Units, Rates And Revenue At Present Rates**  
**Fully Projected Future Test Year 2017**

Line	Sch. 1- RS	Sch. 2- RSAE	Sch. 3- NRS	Sch. 3- NRH	Sch. 4- CS	Sch. 4- CSH	Sch. 5- IS	Sch. 6- MSL	Sch. 7- POL	Sch. 8- EU	Total	
1	<b>BILLING UNITS</b>											
2	kWh Sales	43,745,001	634,920	4,900,788	40,000	28,516,938	30,000	27,228,400	223,000	631,128	115,000	106,065,175
3												
4	Number of Bills	60,535	531	9,869	24	4,217	12	144	24		48	75,404
5	Average Monthly Bills	5,045	44	822	2	351	1	12	2		4	6,284
6												
7	<b>Annual Billing Units- Public Lighting and Street Lighting Historic Year 2015</b>											
8	Rate 1								2,832	5,448		8,280
9	Rate 2								72	240		312
10	Rate 3								420	3,672		4,092
11	Rate 4								0	696		696
12												
13	<b>RATES AND CHARGES</b>											
14	<b>Tariff Rates</b>											
14	Customer Charge	\$9.75	\$9.75	\$10.00	\$10.00	\$28.00	\$28.00	\$42.90	\$0.00	\$0.00	\$0.00	
15												
16	Energy Block 1	\$0.037351	\$0.030824	\$0.058937	\$0.047761	\$0.019111	\$0.039005	\$0.013536	\$6.11	\$6.41	\$0.056658	
17	Energy Block 2							\$0.00080	\$10.80	\$11.16		
18								\$7.47	\$7.47	\$7.60		
19								\$7.60	\$7.60			
20	Block 1 kWh = Demand X							130				
21	Demand Block 1					\$5.00		\$6.54				
22	Demand Block 2											
23												
24	GSSR Rate- Average											
25	STAS Rate											
26												
27	<b>COMPUTATION OF REVENUE</b>											
28	Customer Charge Revenue	590,216	5,177	98,690	240	118,076	336	6,178	0	0	0	818,913
29												
30	Distribution kWh Revenue	1,633,920	19,571	288,838	1,910	544,987	1,170	116,665	21,219	70,320	6,516	2,705,114
31	Distribution Demand Revenue					569,875	0	374,788				944,663
32	STAS Revenue- Distribution	0	0	0		0	0	0	0	0	0	0
33	Total Distribution Revenue	1,633,920	19,571	288,838	1,910	1,114,862	1,170	491,453	21,219	70,320	6,516	3,649,777
34												
35	<b>Total Revenue</b>	<b>\$2,224,136</b>	<b>\$24,748</b>	<b>\$387,528</b>	<b>\$2,150</b>	<b>\$1,232,938</b>	<b>\$1,506</b>	<b>\$497,630</b>	<b>\$21,219</b>	<b>\$70,320</b>	<b>\$6,516</b>	<b>\$4,468,690</b>
36												
37	<b>BILLING UNITS- DETAIL</b>											
38	Block 1 kWh Sales	43,745,001	634,920	4,900,788	40,000	28,516,938	30,000	7,449,910	223,000	631,128	115,000	86,286,685
39								19,778,490				19,778,490
40	As % of 2016											
41	Block 1 kW Demand	Curent method, loss of customers				113,975		57,307				171,282

B4

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Bill Analysis- Revenues Under Present Rates  
Historic Year 2015

		<u>BI</u>			
	Revenue Per Financials Historic Year 2015	Bill Analysis Revenue	Unbilled/ GSSR/ E-Factors	Adjusted Bill Analysis Revenue	
1	Residential	\$5,717,629	\$5,757,630	(\$40,000)	\$5,717,630
2	Commercial and Industrial	8,286,165	8,560,212	(274,047)	8,286,165
3	Lighting	161,041	160,714	327	161,041
4	Exchange Utility	15,831	15,872	(41)	15,831
5		<u>14,180,666</u>	<u>14,494,428</u>	<u>(313,762)</u>	<u>14,180,666</u>
6	Unbilled / E-Factors		(14,157)	14,157	0
7	GSSR under (over) recovery		(299,605)	299,605	0
8			<u>(313,762)</u>	<u>313,762</u>	<u>0</u>
9					
10	Forfeited Discounts	34,274	34,274		34,274
11	Rent from Electric Property	69,416	69,416		69,416
12	Other electric revenue	(4,937)	(4,937)		(4,937)
13		<u>\$14,279,419</u>	<u>\$14,279,419</u>	<u>\$0</u>	<u>\$14,279,419</u>

B5

**Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017**

**Number of Customers Served Whose Bills Will be Increased  
12/31/2015, 12/31/2016 and 12/31/2017  
Answer to 52 Pa. Code 53.52 b[3]**

	<b>Customer Type</b>	<b>Total Customers 12/31/2015</b>	<b>Total Customers 12/31/2016</b>	<b>Total Customers 12/31/2017</b>
1				
2	Residential	5,089	5,089	5,089
3	Commercial and Industrial	1,191	1,190	1,189
4	Lighting	(a)	(a)	(a)
5	Exchange Utility	(a)	(a)	(a)
6	<b>Total Customers Served</b>	<b>6,280</b>	<b>6,279</b>	<b>6,278</b>

7

8 (a) Number of customers not shown

9

B6

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Operating Revenue Under Present Rates and Proposed Rates  
12/31/2015, 12/31/2016 and 12/31/2017  
Answer to 52 Pa. Code 53.52 b[4]

Line	Description	Total		Distribution Only		
		Historic Year 2015 Total Revenue	Historic Year 2015	Future Test Year 2016 PRESENT Rates	Fully Projected Future Test Year 2017 PRESENT Rates	Fully Projected Future Test Year 2017 PROPOSED Rates
1	<b>Operating Revenues</b>	<u>B</u>	<u>B</u>	<u>B</u>	<u>B</u>	<u>B6-1</u>
2	Residential	\$5,757,630	\$2,216,576	\$2,243,733	\$2,248,884	\$2,891,646
3	Commercial and Industrial	8,560,212	2,384,404	2,116,683	2,121,753	2,477,040
4	Lighting	160,714	91,538	91,538	91,538	91,390
5	Exchange Utility	15,872	6,542	6,516	6,516	8,673
6	Subtotal	14,494,428	4,699,061	4,458,470	4,468,690	5,468,748
7						
8	Forfeited Discounts	34,274	34,274	34,274	34,274	34,274
9	Rent from Electric Property	69,416	69,416	69,416	69,416	69,416
10	Other electric revenue	(4,937)	(4,937)	(4,937)	(4,937)	(4,937)
11	GSSR under (over) and E-factors	(299,605)	0			
12	Consumed not billed	(14,157)	0			
13	Total Operating Revenues	<u>\$14,279,419</u>	<u>\$4,797,814</u>	<u>\$4,557,223</u>	<u>\$4,567,443</u>	<u>\$5,567,501</u>

B6-1

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Summary Of Proposed Increase to Distribution Revenue  
Fully Projected Future Test Year 2017

	Sales (kWh)	Average Customers	Distribution Total- Present Rates	Distribution - Proposed Increase	Distribution Total- Proposed Rates
1	<u>B3</u>	<u>B3</u>	<u>B3</u>		<u>B6-2</u>
2	Schedule 1- RS	5,045	2,224,136	630,542	2,854,678
3	Schedule 2- RSAE	44	24,748	12,220	36,968
4	Schedule RS- Residential Service	5,089	2,248,884	642,762	2,891,646
5					
6	<u>Commercial and Industrial Customers</u>				
7	Schedule 3- NRS	822	387,528	50,781	438,309
8	Schedule 3- NRH	2	2,150	1,016	3,166
9	Schedule 4- CS	351	1,232,938	147,690	1,380,629
10	Schedule 4- CSH	1	1,506	612	2,118
11	Schedule 5- IS	12	497,630	155,188	652,818
12		1,189	2,121,753	355,287	2,477,040
13					
14	Schedule 6- Municipal Street Lights	2	21,219	101	21,320
15	Schedule 7- Private Outdoor Lights	0	70,320	(250)	70,070
16	Lighting	2	91,538	(148)	91,390
17					
18	Schedule 8- Exchange Utility	4	6,516	2,158	8,673
19					
20	TOTAL	6,284	\$4,468,690	\$1,000,058	\$5,468,748

B6-2

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Summary Of Electric Sales, Customers And Revenue At Proposed Rates  
Fully Projected Future Test Year 2017

	Sales (kWh)	Average Customers	Revenue - Proposed Rates			
			Fixed Customer Charge	Variable Distribution-Energy	Variable Distribution-Demand	Distribution Total
1 <u>Residential Customers</u>						
2 Schedule 1- RS	43,745,001	5,045	908,025	1,946,653	0	2,854,678
3 Schedule 2- RSAE	634,920	44	7,965	29,003	0	36,968
4 Schedule RS- Residential Service	44,379,921	5,089	915,990	1,975,656	0	2,891,646
5						
6 <u>Commercial and Industrial Customers</u>						
7 Schedule 3- NRS	4,900,788	822	148,035	290,274	0	438,309
8 Schedule 3- NRH	40,000	2	360	2,806	0	3,166
9 Schedule 4- CS	28,516,938	351	147,595	607,126	625,908	1,380,629
10 Schedule 4- CSH	30,000	1	600	1,518	0	2,118
11 Schedule 5- IS	27,228,400	12	11,520	170,585	470,713	652,818
12	60,716,126	1,189	308,110	1,072,309	1,096,621	2,477,040
13						
14 Schedule 6- Municipal Street Lights	223,000	2	0	21,320	0	21,320
15 Schedule 7- Private Outdoor Lights	631,128	0	0	70,070	0	70,070
16 Lighting	854,128	2	0	91,390	0	91,390
17						
18 Schedule 8- Exchange Utility	115,000	4	0	8,673	0	8,673
19						
20 TOTAL	106,065,175	6,284	\$1,224,100	\$3,148,027	\$1,096,621	\$5,468,748







Summary Of Present And Proposed Rates  
Fully Projected Future Test Year 2017

	Present Rates (excl GSSR)	2016 GSSR-1	Present Rates (incl GSSR)	Proposed Rates (excl GSSR)	2016 GSSR-1	Proposed Rates (incl GSSR)	Proposed Increase (excl GSSR)	Proposed Increase (incl GSSR)	Class Revenue Increase (excl GSSR)
<b>Schedule RS- Residential Service</b>									
Customer Charge per Bill	\$9.75		\$9.75	\$15.00		\$15.00	53.8%		28.3%
Energy Charge, per kWh- All	\$0.037351	\$0.073350	\$0.11070	\$0.044500	\$0.073350	\$0.11785	19.1%	6.5%	
<b>Schedule RSAE- Residential Service All Electric</b>									
Customer Charge per Bill	\$9.75		\$9.75	\$15.00		\$15.00	53.8%		49.4%
Energy Charge, per kWh- All	\$0.030824	\$0.073350	\$0.10417	\$0.045680	\$0.073350	\$0.11903	48.2%	14.3%	
<b>Schedule NRS- Non-Residential Service</b>									
Customer Charge per Bill	\$10.00		\$10.00	\$15.00		\$15.00	50.0%		13.1%
Energy Charge, per kWh- All	\$0.058937	\$0.073350	\$0.13229	\$0.059230	\$0.073350	\$0.13258	0.5%	0.2%	
<b>Schedule NRH- Non-Residential Service Space Heating</b>									
Customer Charge per Bill	\$10.00		\$10.00	\$15.00		\$15.00	50.0%		47.2%
Energy Charge, per kWh- All	\$0.047761	\$0.073350	\$0.12111	\$0.070160	\$0.073350	\$0.14351	46.9%	18.5%	
<b>Schedule CS- Commercial Service (Minimum 7 kW)</b>									
Customer Charge per Bill	\$28.00		\$28.00	\$35.00		\$35.00	25.0%		12.0%
Energy Charge, per kWh- All	\$0.019111	\$0.073350	\$0.09246	\$0.021290	\$0.073350	\$0.09464	11.4%	2.4%	
Demand Charge, per kW-Mth- All	\$5.00		\$5.00	\$6.00		\$6.00	20.0%		
<b>Schedule CSH- Commercial Service Space Heaters (Minimum 7 kW)</b>									
Customer Charge per Bill	\$28.00		\$28.00	\$50.00		\$50.00	78.6%		40.6%
Energy Charge, per kWh- All	\$0.039005	\$0.073350	\$0.11236	\$0.050600	\$0.073350	\$0.12395	29.7%	10.3%	
<b>Schedule IS- General Service (Minimum 2300 volts, 50 kW)</b>									
Customer Charge per Bill	\$42.90		\$42.90	\$80.00		\$80.00	86.5%		31.2%
Energy Charge, per kWh									
First 130 kWh X Billed Demand kW	\$0.013536	\$0.073350	\$0.0869	\$0.020110	\$0.073350	\$0.0935	48.6%	7.6%	
Additional kWh	\$0.000800	\$0.073350	\$0.0742	\$0.001050	\$0.073350	\$0.0744	31.3%	0.3%	
Demand Charge, per kW-Mth- All	\$6.54		\$6.54	\$8.50		\$8.50	30.0%	30.0%	
<b>Schedule EU- Exchange of Service</b>									
Customer Charge per Bill	\$0.00		\$0.00	\$0.00		\$0.00			33.1%
Energy Charge, per kWh- All	\$0.05666	\$0.07335	\$0.13001	\$0.075420	\$0.07335	\$0.14877	33.1%	14.4%	







B8

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Bill Comparisons (including GSSR)**  
**Fully Projected Future Test Year 2017**

**Schedule CS- Commercial Service (Minimum 7 kW)**

	Sales (kWh)	Present Rates		Proposed Rates		Proposed Increase		
		Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%	
41	7 kW Minimum	63.00		\$77.00		14.00	22.2%	
42	Load factor 10%	511	110.25	0.21575	125.36	0.24532	15.11	13.7%
43	Load factor 20%	1,022	157.50	0.15410	173.72	0.16998	16.23	10.3%
44	Load factor 35%	1,789	228.37	0.12769	246.26	0.13769	17.90	7.8%
45	Load factor 50%	2,555	299.24	0.11712	318.81	0.12478	19.57	6.5%
46	Load factor 60%	3,066	346.49	0.11301	367.17	0.11975	20.68	6.0%
47	Load factor 75%	3,833	417.36	0.10890	439.71	0.11473	22.35	5.4%
48								
49	10 kW Demand Minimum	78.00		\$95.00		17.00	21.8%	
50	Load factor 10%	730	145.50	0.19931	164.09	0.22478	18.59	12.8%
51	Load factor 20%	1,460	212.99	0.14589	233.17	0.15971	20.18	9.5%
52	Load factor 35%	2,555	314.24	0.12299	336.81	0.13182	22.57	7.2%
53	Load factor 50%	3,650	415.48	0.11383	440.44	0.12067	24.95	6.0%
54	Load factor 60%	4,380	482.98	0.11027	509.52	0.11633	26.54	5.5%
55	Load factor 75%	5,475	584.22	0.10671	613.15	0.11199	28.93	5.0%
56								
57	25 kW Demand Minimum	153.00		\$185.00		32.00	20.9%	
58	Load factor 10%	1,825	321.74	0.17630	357.72	0.19601	35.98	11.2%
59	Load factor 20%	3,650	490.48	0.13438	530.44	0.14532	39.95	8.2%
60	Load factor 35%	6,388	743.59	0.11641	789.51	0.12360	45.92	6.2%
61	Load factor 50%	9,125	996.71	0.10923	1,048.59	0.11491	51.88	5.2%
62	Load factor 60%	10,950	1,165.45	0.10643	1,221.31	0.11153	55.86	4.8%
63	Load factor 75%	13,688	1,418.56	0.10364	1,480.39	0.10816	61.83	4.4%
64								
65	40 kW Demand Minimum	228.00		\$275.00		\$47.00	20.6%	
66	Load factor 10%	2,920	497.99	0.17054	551.35	0.18882	53.36	10.7%
67	Load factor 20%	5,840	767.97	0.13150	827.70	0.14173	59.73	7.8%
68	Load factor 35%	10,220	1,172.95	0.11477	1,242.22	0.12155	69.27	5.9%
69	Load factor 50%	14,600	1,577.93	0.10808	1,656.74	0.11348	78.81	5.0%
70	Load factor 60%	17,520	1,847.92	0.10547	1,933.09	0.11034	85.18	4.6%
71	Load factor 75%	21,900	2,252.90	0.10287	2,347.62	0.10720	94.72	4.2%

**Schedule CSH- Commercial Service Space Heaters (Minimum 7 kW)**

	Sales (kWh)	Present Rates		Proposed Rates		Proposed Increase	
		Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%
72	Minimum	\$28.00		\$50.00		\$22.00	78.6%
73	1,000	140.36	\$0.14036	173.95	\$0.17395	33.60	23.9%
74	24,000	2,724.52	0.11352	3,024.80	0.12603	300.28	11.0%

B8

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017  
Bill Comparisons (including GSSR)  
Fully Projected Future Test Year 2017

Schedule IS- General Service (Minimum 2300 volts, 50 kW)

		Present Rates		Proposed Rates		Proposed Increase	
Sales (kWh)		Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%
75	<b>Monthly Minimum</b>	\$1,023.90		\$1,355.00		331.10	32.3%
76	<b>150 kW Demand</b>						
77	<b>Load Factors</b> Minimum	\$1,023.90		\$1,355.00		331.10	32.3%
78	30% 32,850	3,708.08	0.11288	4,170.71	0.12696	462.63	12.5%
79	40% 43,800	4,520.02	0.10320	4,985.39	0.11382	465.37	10.3%
80	50% 54,750	5,331.96	0.09739	5,800.07	0.10594	468.11	8.8%
81	60% 65,700	6,143.91	0.09351	6,614.75	0.10068	470.84	7.7%
82	75% 82,125	7,361.82	0.08964	7,836.77	0.09542	474.95	6.5%
83							
84	<b>400 kW Demand</b>						
85	<b>Load Factors</b> Minimum	\$2,658.90		\$3,480.00		821.10	30.9%
86	30% 87,600	9,816.71	0.11206	10,988.56	0.12544	1,171.85	11.9%
87	40% 116,800	11,981.89	0.10258	13,161.04	0.11268	1,179.15	9.8%
88	50% 146,000	14,147.07	0.09690	15,333.52	0.10502	1,186.45	8.4%
89	60% 175,200	16,312.25	0.09311	17,506.00	0.09992	1,193.75	7.3%
90	75% 219,000	19,560.02	0.08932	20,764.72	0.09482	1,204.70	6.2%
91							
92	<b>750 kW Demand</b>						
93	<b>Load Factors</b> Minimum	\$4,947.90		\$6,455.00		1,507.10	30.5%
94	30% 164,250	18,368.80	0.11183	20,533.55	0.12501	2,164.75	11.8%
95	40% 219,000	22,428.51	0.10241	24,606.95	0.11236	2,178.44	9.7%
96	50% 273,750	26,488.22	0.09676	28,680.35	0.10477	2,192.13	8.3%
97	60% 328,500	30,547.94	0.09299	32,753.75	0.09971	2,205.82	7.2%
98	75% 410,625	36,637.50	0.08922	38,863.85	0.09465	2,226.35	6.1%
99							
100	<b>1500 kW Demand</b>						
101	<b>Load Factors</b> Minimum	\$9,852.90		\$12,830.00		2,977.10	30.2%
102	30% 328,500	36,694.70	0.11170	40,987.10	0.12477	4,292.41	11.7%
103	40% 438,000	44,814.12	0.10232	49,133.90	0.11218	4,319.78	9.6%
104	50% 547,500	52,933.55	0.09668	57,280.70	0.10462	4,347.16	8.2%
105	60% 657,000	61,052.97	0.09293	65,427.50	0.09959	4,374.53	7.2%
106	75% 821,250	73,232.11	0.08917	77,647.70	0.09455	4,415.59	6.0%





B8-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Bill Comparisons (excluding GSSR)**  
**Fully Projected Future Test Year 2017**

		Schedule NRS- Non-Residential Service					
		Present Rates		Proposed Rates		Proposed Increase	
Average	Sales (kWh)	Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%
25	Minimum	\$10.00		\$15.00		\$5.00	50.0%
26	1	10.06	\$10.05894	15.06	\$15.05923	5.00	49.7%
27	50	12.95	0.25894	17.96	0.35923	5.01	38.7%
28	100	15.89	0.15894	20.92	0.20923	5.03	31.6%
29	250	24.73	0.09894	29.81	0.11923	5.07	20.5%
30	All NRS, annual	38.29	0.07977	43.43	0.09048	5.14	13.4%
31	1,000	68.94	0.06894	74.23	0.07423	5.29	7.7%
32	1,500	98.41	0.06560	103.85	0.06923	5.44	5.5%
33	2,000	127.87	0.06394	133.46	0.06673	5.59	4.4%
34	3,000	186.81	0.06227	192.69	0.06423	5.88	3.2%
35							
		Schedule NRH- Non-Residential Service Space Heating					
		Present Rates		Proposed Rates		Proposed Increase	
Average	Sales (kWh)	Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%
36	Minimum	\$10.00		\$15.00		\$5.00	50.0%
37	500	33.88	0.06776	50.08	0.10016	16.20	47.8%
38	All NRH, annual	46.30	0.06092	68.32	0.08990	22.02	47.6%
39	2,000	105.52	0.05276	155.32	0.07766	49.80	47.2%
40							

B8-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Bill Comparisons (excluding GSSR)**  
**Fully Projected Future Test Year 2017**

**Schedule CS- Commercial Service (Minimum 7 kW)**

	Sales (kWh)	Present Rates		Proposed Rates		Proposed Increase	
		Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%
41	7 kW Minimum	63.00		\$77.00		14.00	22.2%
42	Load factor 10%	511	0.14240	87.88	0.17197	15.11	20.8%
43	Load factor 20%	1,022	0.08075	98.76	0.09663	16.23	19.7%
44	Load factor 35%	1,789	0.05434	115.08	0.06434	17.90	18.4%
45	Load factor 50%	2,555	0.04377	131.40	0.05143	19.57	17.5%
46	Load factor 60%	3,066	0.03966	142.28	0.04640	20.68	17.0%
47	Load factor 75%	3,833	0.03555	158.59	0.04138	22.35	16.4%
48							
49	10 kW Demand Minimum	78.00		\$95.00		17.00	21.8%
50	Load factor 10%	730	0.12596	110.54	0.15143	18.59	20.2%
51	Load factor 20%	1,460	0.07254	126.08	0.08636	20.18	19.1%
52	Load factor 35%	2,555	0.04964	149.40	0.05847	22.57	17.8%
53	Load factor 50%	3,650	0.04048	172.71	0.04732	24.95	16.9%
54	Load factor 60%	4,380	0.03692	188.25	0.04298	26.54	16.4%
55	Load factor 75%	5,475	0.03336	211.56	0.03864	28.93	15.8%
56							
57	25 kW Demand Minimum	153.00		\$185.00		32.00	20.9%
58	Load factor 10%	1,825	0.10295	223.85	0.12266	35.98	19.2%
59	Load factor 20%	3,650	0.06103	262.71	0.07197	39.95	17.9%
60	Load factor 35%	6,388	0.04306	320.99	0.05025	45.92	16.7%
61	Load factor 50%	9,125	0.03588	379.27	0.04156	51.88	15.9%
62	Load factor 60%	10,950	0.03308	418.13	0.03818	55.86	15.4%
63	Load factor 75%	13,688	0.03029	476.41	0.03481	61.83	14.9%
64							
65	40 kW Demand Minimum	228.00		\$275.00		\$47.00	20.6%
66	Load factor 10%	2,920	0.09719	357.17	0.11547	53.36	18.8%
67	Load factor 20%	5,840	0.05815	399.33	0.06838	59.73	17.6%
68	Load factor 35%	10,220	0.04142	492.58	0.04820	69.27	16.4%
69	Load factor 50%	14,600	0.03473	585.83	0.04013	78.81	15.5%
70	Load factor 60%	17,520	0.03212	648.00	0.03699	85.18	15.1%
71	Load factor 75%	21,900	0.02952	741.25	0.03385	94.72	14.7%

**Schedule CSH- Commercial Service Space Heaters (Minimum 7 kW)**

	Sales (kWh)	Present Rates		Proposed Rates		Proposed Increase	
		Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%
72	Minimum	\$28.00		\$50.00		\$22.00	78.6%
73	1,000	67.01	\$0.06701	100.60	\$0.10060	33.60	50.1%
74	24,000	964.12	0.04017	1,264.40	0.05268	300.28	31.2%

B8-1

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017  
Bill Comparisons (excluding GSSR)  
Fully Projected Future Test Year 2017

Schedule IS- General Service (Minimum 2300 volts, 50 kW)

		Present Rates		Proposed Rates		Proposed Increase		
Sales (kWh)		Monthly Bill	Cost per kWh	Monthly Bill	Cost per kWh	\$ per Month	%	
75	<b>Monthly Minimum</b>	\$1,023.90		\$1,355.00		331.10	32.3%	
76	<b>150 kW Demand</b>							
77	<b>Load Factors</b> Minimum	\$1,023.90		\$1,355.00		331.10	32.3%	
78	30%	32,850	1,298.53	0.03953	1,761.16	0.05361	462.63	35.6%
79	40%	43,800	1,307.29	0.02985	1,772.66	0.04047	465.37	35.6%
80	50%	54,750	1,316.05	0.02404	1,784.16	0.03259	468.11	35.6%
81	60%	65,700	1,324.81	0.02016	1,795.66	0.02733	470.84	35.5%
82	75%	82,125	1,337.95	0.01629	1,812.90	0.02207	474.95	35.5%
83								
84	<b>400 kW Demand</b>							
85	<b>Load Factors</b> Minimum	\$2,658.90		\$3,480.00		821.10	30.9%	
86	30%	87,600	3,391.25	0.03871	4,563.10	0.05209	1,171.85	34.6%
87	40%	116,800	3,414.61	0.02923	4,593.76	0.03933	1,179.15	34.5%
88	50%	146,000	3,437.97	0.02355	4,624.42	0.03167	1,186.45	34.5%
89	60%	175,200	3,461.33	0.01976	4,655.08	0.02657	1,193.75	34.5%
90	75%	219,000	3,496.37	0.01597	4,701.07	0.02147	1,204.70	34.5%
91								
92	<b>750 kW Demand</b>							
93	<b>Load Factors</b> Minimum	\$4,947.90		\$6,455.00		1,507.10	30.5%	
94	30%	164,250	6,321.06	0.03848	8,485.81	0.05166	2,164.75	34.3%
95	40%	219,000	6,364.86	0.02906	8,543.30	0.03901	2,178.44	34.2%
96	50%	273,750	6,408.66	0.02341	8,600.79	0.03142	2,192.13	34.2%
97	60%	328,500	6,452.46	0.01964	8,658.28	0.02636	2,205.82	34.2%
98	75%	410,625	6,518.16	0.01587	8,744.51	0.02130	2,226.35	34.2%
99								
100	<b>1500 kW Demand</b>							
101	<b>Load Factors</b> Minimum	\$9,852.90		\$12,830.00		2,977.10	30.2%	
102	30%	328,500	12,599.22	0.03835	16,891.63	0.05142	4,292.41	34.1%
103	40%	438,000	12,686.82	0.02897	17,006.60	0.03883	4,319.78	34.1%
104	50%	547,500	12,774.42	0.02333	17,121.58	0.03127	4,347.16	34.0%
105	60%	657,000	12,862.02	0.01958	17,236.55	0.02624	4,374.53	34.0%
106	75%	821,250	12,993.42	0.01582	17,409.01	0.02120	4,415.59	34.0%

C1

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Net Operating Income And Rates of Return  
Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017  
Answer to 52 Pa. Code 53.52 c[1]

Line	Description	Historic Year 2015		Present Rates	Present Rates Fully	Proposed Rates
		Per Books	Distribution Only	12/31/2016	Projected	Fully Projected
				Distribution Only	Distribution Only	Distribution Only
					12/31/2017	12/31/2017
1	<b>REVENUE</b>					
2	Residential	\$5,757,630	\$2,216,576	\$2,243,733	\$2,248,884	\$2,891,646
3	Commercial and industrial	8,560,212	2,384,404	2,116,683	2,121,753	2,477,040
4	Lighting	160,714	91,538	91,538	91,538	91,390
5	Sales for resale	15,872	6,542	6,516	6,516	8,673
6	Rounding					(162)
7	Electric operating revenue	14,494,428	4,699,061	4,458,470	4,468,690	5,468,586
8	Other revenue, net	98,753	98,753	98,753	98,753	98,753
9	GSSR under (over)/ E-factors/ Used not billed	(313,762)	0	0	0	0
10	Total Revenue	14,279,419	4,797,814	4,557,223	4,567,443	5,567,339
11	Annual kWh	120,603,698	120,603,698	110,210,620	106,065,175	106,065,175
12	<b>EXPENSES</b>					
13	Purchased electricity	8,935,250	0	0	0	0
14	Distribution	750,861	750,861	897,637	975,034	975,034
15	Customer accounting & collection expenses	509,495	509,495	516,664	532,164	532,164
16	Sales expense, Public relations	6,840	6,840	10,010	10,310	10,310
17	Administrative & general expenses	991,061	991,061	1,080,226	1,086,883	1,086,883
18	Total Operating expenses	11,193,507	2,258,257	2,504,537	2,604,391	2,604,391
19						
20	Depreciation expense	996,548	996,548	1,108,823	1,168,627	1,168,627
21	Taxes other than income	921,781	333,166	319,574	319,574	378,577
22	Rate case expense amortization				76,667	76,667
23	Total Expenses	13,111,836	3,587,971	3,932,934	4,169,259	4,228,262
24						
25	Net operating income before income taxes	1,167,583	1,209,843	624,289	398,184	1,339,077
26						
27	Income tax expense	238,184	255,338	1,525	(80,739)	301,202
28	Net Utility Operating Income	\$929,399	\$954,505	\$622,764	\$478,923	\$1,037,875
29						
30	Rate Base	\$13,395,835	\$13,395,835	\$13,713,560	\$14,055,810	\$14,055,810
31	Rate Of Return On Rate Base	6.94%	7.13%	4.54%	3.41%	7.38%



C1-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Net Operating Income And Rates of Return**  
**Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017**  
**Answer to 52 Pa. Code 53.52 e[1] - Support Sheet No. 1**  
**Support Sheet No. 1- Operating Expense and Going-Level Adjustments**

Line	Acct.	Account Description	12/31/2012	12/31/2013	12/31/2014	Historic Year 2015	Salary, Wage & Benefit Changes	Expense Changes	Other Changes	Total Changes
36		<u>Administrative &amp; General Expenses:</u>								
37	920	Administrative & General Salaries	419,556	491,889	552,067	531,593	21,432	5,573		27,005
38	921	Office Supplies & Expenses	85,898	97,666	94,310	97,005	0	9,445		9,445
39	923	Outside Services Employed	162,743	85,940	72,972	105,185	0	11,615		11,615
40	924	Property Insurance	58,907	59,016	62,680	62,968	0	(968)		(968)
41	926	Employee Pensions & Benefits	21,284	0	0	0	0			0
42	928	Regulatory commission expenses	32,460	43,272	46,598	58,089	0			0
43	930	Miscellaneous General Expense	82,563	72,797	73,901	76,760	29,338	21,322	(25,000)	25,660
44	931	Rents	3,143	2,514	2,514	2,391	0	109		109
45	932	Maintenance of General Property	45,330	56,641	66,980	57,070	3,031	13,268		16,299
46		<u>Total Administrative &amp; General Expense</u>	<u>911,884</u>	<u>909,735</u>	<u>972,022</u>	<u>991,061</u>	<u>53,801</u>	<u>60,364</u>	<u>(25,000)</u>	<u>89,165</u>
47										
48		<b>Total Operating &amp; Maintenance Expense</b>	<b>\$2,105,124</b>	<b>\$2,101,721</b>	<b>\$2,254,961</b>	<b>\$11,193,507</b>	<b>\$40,655</b>	<b>\$240,625</b>	<b>(\$8,970,250)</b>	<b>(\$8,688,970)</b>
49										<b>(\$8,688,970)</b>





C1-1

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Net Operating Income And Rates of Return  
Historic Y Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017  
Answer to 52 Pa. Code 53.52 c[1] - Support Sheet No. 1  
Su Support Sheet No. 1- Operating Expense and Going-Level Adjustments 103.0%

Line	Acct.	Account Description	Future Test Year 2016	Additional to		Fully Projected Future Test Year 2017	Salary, Wage & Benefits	
				Fully Projected Future Test Year 2017	Changes to Fully Projected Future Test Year 2017		Future Test Year 2016	Fully Projected Future Test Year 2017
36		<u>Administrative &amp; General Expenses:</u>						
37	920	Administrative & General Salaries	558,598		16,758	575,356	531,598	547,546
38	921	Office Supplies & Expenses	106,450		3,194	109,644	0	0
39	923	Outside Services Employed	116,800		(27,396)	89,404	0	0
40	924	Property Insurance	62,000		1,860	63,860	0	0
41	926	Employee Pensions & Benefits	0		0	0	0	0
42	928	Regulatory commission expenses	58,089		1,743	59,832	0	0
43	930	Miscellaneous General Expense	102,420		8,223	110,643	34,220	35,247
44	931	Rents	2,500		75	2,575	0	0
45	932	Maintenance of General Property	73,369		2,201	75,570	11,969	12,328
46		<u>Total Administrative &amp; General expen</u>	<u>1,080,226</u>	<u>0</u>	<u>6,657</u>	<u>1,086,883</u>	<u>577,787</u>	<u>595,121</u>
47								
48		<b>Total Operating &amp; Maintenance E:</b>	<b>\$2,504,537</b>	<b>\$50,468</b>	<b>\$49,386</b>	<b>\$2,604,391</b>	<b>\$1,359,171</b>	<b>\$1,399,946</b>
49			\$2,504,537			\$2,604,391	1,359,198	



C1-2

**Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017**

**Net Operating Income And Rates of Return  
Historic Year 2015**

Answer to 52 Pa. Code 53.52 c[1] - Support Sheet No. 2

**Support Sheet No. 2- Adjustment to remove Generation & Transmission revenue and expense:**

1	<b>Adjustment to remove Generation and Transmission revenue</b>	
2	Total revenue	\$ 14,279,419
3		
4	Eliminate GSSR revenue	9,795,367
5	Consumed not billed, Under / Over	(313,762)
6	<b>Adjustment to revenue</b>	<u>9,481,605</u>
7	Distribution revenue	<u>\$4,797,814</u>
8		
9	<b>Adjustment to remove Generation and Transmission expenses</b>	
10	Total expenses	\$ 13,111,836
11		
12	Purchased power costs	8,935,250
13	Gross receipts tax expense	588,615
14	<b>Adjustment to expenses</b>	<u>9,523,865</u>
15	Distribution expenses	<u>\$3,587,971</u>

C1-2A

**Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017**

**Net Operating Income And Rates of Return  
Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017  
Answer to 52 Pa. Code 53.52 c[1] - Support Sheet No. 2A  
Support Sheet No. 2A- Adjustment to Add Employee and Related Costs**

<b>Line</b>	<b>Description</b>		<b>Payroll</b>	<b>Benefits and Taxes</b>
1	New employee starting July 2016- Engineering and Operations			
2				
3	Hourly wage per Union Contract, 2013-17		\$35.03	
4	Hours per week		40	
5	Weekly payroll increase		\$1,401.20	
6				
7	2015 payroll			
8	2015 benefits and taxes			
9	Fringe rate		38.53%	38.53%
10	Weekly increase		\$1,401.20	\$539.88
11				
12	2016 increase over 2015- # Weeks	26	\$36,431.20	\$14,036.94
13	2017 increase over 2015- # Weeks	52	\$72,862.40	\$28,073.88
14	2017 increase over 2016		\$36,431.20	\$14,036.94
15				

C1-3

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Net Operating Income And Rates of Return**  
**Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017**  
**Answer to 52 Pa. Code 53.52 c[1]**  
**Support Sheet No. 3- Taxes Other Than Income**

	Historic Year 2015	Present Rates Year Ended 12/31/2016	Present Rates Future Test Year Ended 12/31/2017	Proposed Rates Future Test Year Ended 12/31/2017
	Per Books	Distribution Only	Distribution Only	Distribution Only
1 <b>Taxes other than income:</b>				
2 Pennsylvania Use Tax	6,899	6,899	6,899	6,899
3 PUC Assessment				
4 Public Utility Realty Tax (including surcharge)	47,000	47,000	47,000	47,000
5 Pennsylvania Gross Receipts Tax	867,882	279,267	265,675	324,678
6	<u>\$921,781</u>	<u>\$333,166</u>	<u>\$319,574</u>	<u>\$378,577</u>
7				
8 <b>Gross Receipts Tax</b>				
9 Electric operating revenue	\$14,494,428	\$4,699,061	\$4,468,690	\$5,468,748
10 Forfeited discounts	34,274	34,274	34,274	34,274
11 GSSR under (over) recovery	(14,157)	0	0	0
12 Gross Receipts Taxable	<u>\$14,514,545</u>	<u>\$4,733,335</u>	<u>\$4,502,964</u>	<u>\$5,503,022</u>
13 Gross Receipts Tax at Present Rate	5.90%	\$856,358	\$279,267	\$265,675
14 Rounding difference		11,524		
15 Gross Receipts Tax expense		<u>\$867,882</u>	<u>\$265,675</u>	<u>\$324,678</u>
16				
17 <b>Normalized Rate case expense</b>				
18 Estimated expenses			\$230,000	
19 Amortization period (years)			3	
20 Normalized Rate case expense			<u>\$76,667</u>	<u>\$76,667</u>

C1-4

**Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017**

C1-4

**Net Operating Income And Rates of Return  
Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017  
Answer to 52 Pa. Code 53.52 c[1]  
Support Sheet No. 4- Income Tax Calculations**

Line	Description	Historic Year 2015		Present Rates	Present Rates	Proposed Rates	
		Per Books	Distribution Only	12/31/2016	Fully Projected	Fully Projected	
				Distribution Only	Distribution Only	Distribution Only	
					12/31/2017	12/31/2017	
1	Net Operating Income Excluding Income Taxes	\$1,167,583	\$1,209,843	\$624,289	\$398,184	\$1,339,077	
2							
3	<u>Synchronized interest expense:</u>						
4	Rate base	13,395,835	13,395,835	13,713,560	14,055,810	14,055,810	
5	Less: CWIP	59,971	59,971	59,971	59,971	59,971	
6	Rate base for interest computation	13,335,864	13,335,864	13,653,589	13,995,839	13,995,839	
7	Weighted Cost of debt	2.535%	2.535%	2.535%	2.535%	2.535%	
8	Synchronized interest expense	338,064	338,064	346,118	354,795	354,795	
9	Taxable income before depreciation tax adjustments	829,519	871,779	278,171	43,390	984,283	
10							
11	<u>Pennsylvania depreciation adjustment:</u>						
12	Tax depreciation (using DDB method)	(1,194,555)	(1,194,555)	(1,268,119)	(1,294,073)	(1,294,073)	
13	Book depreciation	996,548	996,548	1,108,823	1,168,627	1,168,627	
14	Pennsylvania depreciation adjustment	(198,007)	(198,007)	(159,296)	(125,446)	(125,446)	
15	Pennsylvania taxable income	631,512	673,772	118,875	(82,057)	858,836	
16	Regulatory Pennsylvania income tax expense	9.99%	63,088	67,310	11,876	(8,197)	85,798
17							
18	<u>Federal depreciation adjustment:</u>						
19	Tax depreciation (using SL method)	(1,247,992)	(1,247,992)	(1,405,560)	(1,433,570)	(1,433,570)	
20	Book depreciation	996,548	996,548	1,108,823	1,168,627	1,168,627	
21	Federal depreciation adjustment	(251,444)	(251,444)	(296,737)	(264,943)	(264,943)	
22							
23	Taxable income before depreciation tax adjustments	829,519	871,779	278,171	43,390	984,283	
24	Federal depreciation adjustment	(251,444)	(251,444)	(296,737)	(264,943)	(264,943)	
25	Pennsylvania income tax expense	(63,088)	(67,310)	(11,876)	8,197	(85,798)	
26	Federal taxable income	514,987	553,025	(30,442)	(213,356)	633,541	
27	Regulatory Federal income tax expense	34.00%	175,096	188,028	(10,350)	(72,541)	215,404
28							
29	Regulatory Total income tax expense	\$238,184	\$255,338	\$1,525	(\$80,739)	\$301,202	
30							
31	<u>Deferred Federal Income Tax expense (included in above):</u>						
32	Tax depreciation (using SL method)	1,247,992	1,247,992	1,405,560	1,433,570	1,433,570	
33	Tax depreciation (using DDB method)	1,194,555	1,194,555	1,268,119	1,294,073	1,294,073	
34		(53,437)	(53,437)	(137,441)	(139,497)	(139,497)	
35	Federal tax rate	34.00%	34.00%	34.00%	34.00%	34.00%	
36	Deferred Federal income tax (credit)	(\$18,169)	(\$18,169)	(\$46,730)	(\$47,429)	(\$47,429)	
37	Combined statutory tax rate	40.59%					



C1-6

Wellshoro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Net Operating Income And Rates of Return  
Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017  
Answer to 52 Pa. Code 53.52 e[1]  
Support Sheet No. 6- Computation of Rate Base

Line	Description	Historic Year 2015	Future Test Year 2016	Fully Projected Future Test Year 2017
1	Utility Plant in Service			
2	Assets	\$ 23,167,623	\$ 24,385,413	\$ 25,586,139
3	Less: Accumulated Depreciation	(10,082,906)	(10,934,519)	(11,809,272)
4		13,084,717	13,450,894	13,776,867
5	Construction work in progress	59,971	59,971	59,971
6	Less: Accumulated deferred income taxes	(19,375)	(22,461)	(28,155)
7	Less: Customer deposits	(82,025)	(82,025)	(82,025)
8	Accrued Pension / OPEB Liability	(288,315)	(288,315)	(288,315)
9	Materials & Supplies	245,607	245,607	245,607
10		13,000,580	13,363,671	13,683,950
11	Cash Working Capital Allowance	395,255	349,889	371,860
12	RATE BASE	\$ 13,395,835	\$ 13,713,560	\$ 14,055,810
13				
14	<b>Cash Working Capital Allowance:</b>			
15	Operating Expenses	\$ 13,111,836	\$ 3,932,934	\$ 4,169,259
16	Deductions:			
17	Purchased Electricity	8,935,250	0	0
18	Uncollectible accounts	18,000	25,000	25,750
19	Depreciation Expense	996,548	1,108,823	1,168,627
20	Total Deductions	9,949,798	1,133,823	1,194,377
21	Cash Operating Expenses	3,162,038	2,799,111	2,974,882
22	Cash Operating Expenses Ratio	1/8	1/8	1/8
23	Cash Working Capital Allowance (A plus B)	\$ 395,255	\$ 349,889	\$ 371,860
24				
25	<b>Regulatory Accumulated deferred income tax:</b>			
26	Accumulated depreciation based on tax expense borne by ratepayers	17,565,698	18,714,049	19,853,744
27	Accumulated depreciation based on taxes paid by company	17,622,683	18,780,111	19,936,553
28	(Excess) depreciation taken by company	(56,985)	(66,062)	(82,809)
29	Federal tax rate	34.00%	34.00%	34.00%
30	Regulatory Accumulated deferred income tax (liability)	(19,375)	(22,461)	(28,155)
31				
32	<b>Accrued Pension and OPEB Liability / OPEB asset, net</b>			
33	RS plan prepayment	318,520	318,520	318,520
34	RS plan Payable to affiliate	(318,520)	(318,520)	(318,520)
35	Accrued postretirement cost	(527,888)	(527,888)	(527,888)
36	Regulatory asset- OPEB	24,673	24,673	24,673
37	Deferred tax asset related to OPEB	214,900	214,900	214,900
38		(288,315)	(288,315)	(288,315)

C1-7

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

3

**Summary of Cost of Capital and Fair Rate of Return Based upon a Hypothetical Ratemaking Capital Structure**  
**12/31/2017**

	<u>Type of Capital</u>	<u>Ratios (1)</u>	<u>Cost Rate</u>	<u>Weighted Cost Rate</u>	
1	Long-Term Debt	50.70%	5.000%	2.54%	
2	Short-Term Debt	0.00%		0.00%	
3	Total Debt	50.70%		2.54%	
4					
5	Preferred Stock	1.10%	4.000%	0.04%	
6	Common Equity	48.20%	9.969%	(2) 4.81%	10.500%
7	Total	100.00%	10.058%	7.38%	
8			Target ROR	7.3840%	

9

10 [1] Recommended hypothetical capital structure ratios as discussed in direct testimony.

11 [2] Average debt cost rate calculated as follows:

12

C2

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Balance Sheets**  
**12/31/2015, 12/31/2016 and 12/31/2017**  
**Answer to 52 Pa. Code 53.52 c[2]**

Account Title	Per Books 12/31/2015	Pro Forma 12/31/2016	Pro Forma 12/31/2017
<b>Assets and Other Debits</b>			
<b>Utility Plant</b>			
Electric plant in service	\$23,167,623	\$24,385,413	\$25,586,139
Construction work in progress	59,971	59,971	59,971
Accumulated depreciation	(10,082,906)	(10,934,519)	(11,809,272)
<i>Total utility plant</i>	<u>13,144,688</u>	<u>13,510,865</u>	<u>13,836,838</u>
<b>Other Property and Investments:</b>			
Non-utility property	269,888	269,888	269,888
Regulatory asset	109,562	109,562	109,562
Regulatory asset- RS Plan	298,015	298,015	298,015
Rentals and other	135,719	135,719	135,719
<i>Total other property and investments</i>	<u>813,184</u>	<u>813,184</u>	<u>813,184</u>
<b>Current Assets:</b>			
Cash	635,447	635,447	635,447
Customer accounts receivable	1,069,325	1,069,325	1,069,325
Provison for uncollectible accounts	(35,805)	(35,805)	(35,805)
Accrued utility revenues	389,914	389,914	389,914
Other accounts receivable	93,690	93,690	93,690
Advances to affiliates	49,000	49,000	49,000
Inventories	245,607	245,607	245,607
Prepayments	44,213	44,213	44,213
Financial Transmission rights	75,922	75,922	75,922
Deferred income taxes	38,600	38,600	38,600
<i>Total current assets</i>	<u>2,605,913</u>	<u>2,605,913</u>	<u>2,605,913</u>
<b>Total Assets and Other Debits</b>	<u><u>\$16,563,785</u></u>	<u><u>\$16,929,962</u></u>	<u><u>\$17,255,935</u></u>



C2

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Balance Sheets**  
**12/31/2015, 12/31/2016 and 12/31/2017**  
**Answer to 52 Pa. Code 53.52 c[2]**

Account Title	Per Books 12/31/2015	Pro Forma 12/31/2016	Pro Forma 12/31/2017
<b>Liabilities and Other Credits</b>			
<b>Proprietary Capital:</b>			
Preferred stock	\$136,900	\$136,900	\$136,900
Common stock Issued	240,146	240,146	240,146
Retained earnings	2,509,804	3,132,568	2,626,228
Treasury stock, at cost	(159,250)	(159,250)	(159,250)
<i>Total proprietary capital</i>	<u>2,727,600</u>	<u>3,350,364</u>	<u>2,844,024</u>
<b>Long-Term Debt:</b>			
Long term debt	9,479,188	9,479,188	9,479,188
Capitalized Lease Obligations	477,992	477,992	1,519,228
<i>Total long-term debt</i>	<u>9,957,180</u>	<u>9,957,180</u>	<u>10,998,416</u>
<b>Current and Accrued Liabilities:</b>			
Line of Credit	50	(\$256,587)	(\$465,509)
Current maturities of long-term debt	338,900	338,900	338,900
Current maturities of capitalized leases	158,764	158,764	158,764
Accounts payable	187,988	187,988	187,988
Due for purchased electricity	562,937	562,937	562,937
Accrued expenses	191,845	191,845	191,845
Accrued expenses- OPEB			0
Customer deposits	82,025	82,025	82,025
Derivative investment	75,922	75,922	75,922
Overcollected power costs	313,623	313,623	313,623
<i>Total current and accrued liabilities</i>	<u>1,912,004</u>	<u>1,655,417</u>	<u>1,446,495</u>
<b>Deferred Credits and Other Liabilities:</b>			
Deferred income taxes	1,459,900	1,459,900	1,459,900
Accrued postretirement cost	505,461	505,461	505,461
Other liabilities	1,640	1,640	1,640
<i>Total deferred credits</i>	<u>1,967,001</u>	<u>1,967,001</u>	<u>1,967,001</u>
<b>Total Liabilities and Other Credits</b>	<u><u>\$16,563,785</u></u>	<u><u>\$16,929,962</u></u>	<u><u>\$17,255,935</u></u>

C3 Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 20

Original Cost of Utility Plant in Service  
12/31/2015, 12/31/2016 and 12/31/2017  
Answer to 52 Pa. Code 53.52 c[3]

Line	Acct No.	Account Title	Original Cost								
			Balance	Year Ended 12/31/2016			Balance	Year Ended 12/31/2017			
			12/31/2015	Per Books	Additions	Retirements	12/31/2016	Pro Forma	Additions	Retirements	12/31/2017
1		<i>Distribution Plant.</i>									
2	360	Land & Land Rights	178,334				178,334				178,334
3	361	Structures and improvements	109,167				109,167				109,167
4	362	Station Equipment	3,489,341	25,000	(45,731)		3,468,610	25,000	(45,731)		3,447,879
5	362.01	Station Equipment- Fully depr.	324,557				324,557	0	0		324,557
6	364	Poles, Tower & Fixtures	7,443,670	767,600	(60,805)		8,150,465	927,600	(60,805)		9,017,260
7	365	Overhead Conductors & Devices	2,840,073	191,000	(29,156)		3,001,917	245,000	(29,156)		3,217,761
8	366	Underground Conduit	26,899	5,000			31,899	5,000	0		36,899
9	367	Underground Conductors & Devices	751,543	40,000	(5,096)		786,447	40,000	(5,096)		821,351
10	368	Line Transformers	2,167,749	42,000	(30,802)		2,178,947	42,000	(30,802)		2,190,145
11	369	Services	791,535	25,000	(4,532)		812,003	25,000	(4,532)		832,471
12	369.1	Underground Services	933,478	6,000	(27,900)		911,578	6,000	(27,900)		889,678
13	370	Meters	855,353	20,000	(30,243)		845,110	20,000	(30,243)		834,867
14	371	Installations on Customers' premises	211,070	13,000	(7,515)		216,555	13,000	(7,515)		222,040
15	373	Street Lighting & Signal Systems	62,116	3,000	(2,094)		63,022	3,000	(2,094)		63,928
16		Total Distribution Plant	20,184,885	1,137,600	(243,874)		21,078,611	1,351,600	(243,874)		22,186,337
17											
18		<i>General Plant</i>									
19	390.1	Structures & Improvements, office	516,630	14,000			530,630				530,630
20	390.2	Structures & Improvements, other	236,175	21,500			257,675				257,675
21	391	Office Furniture & Equipment	154,212	83,900			238,112	68,000			306,112
22	391.1	Office Furn & Equip- Fully depr.	356,317				356,317				356,317
23	392	Transportation Equipment	1,018,692	188,000	(13,336)		1,193,356	75,000	(50,000)		1,218,356
24	394	Tools, Shop & Garage Equipment	58,179	25,000			83,179				83,179
25	395	Laboratory Equipment	86,884				86,884				86,884
26	396	Power Operated Equipment	80,519				80,519				80,519
27	397	Communication Equipment	189,207	5,000			194,207				194,207
28	398	Miscellaneous Equipment	289				289				289
29		Intangible plant, organization	1,046				1,046				1,046
30	301	Intangible plant, EDI	284,588				284,588				284,588
31		Total General Plant	2,982,738	337,400	(13,336)		3,306,802	143,000	(50,000)		3,399,802
32											
33		Total Plant in Service	\$23,167,623	\$1,475,000	(\$257,210)		\$24,385,413	\$1,494,600	(\$293,874)		\$25,586,139

C3 Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 20

Original Cost of Utility Plant in Service  
12/31/2015, 12/31/2016 and 12/31/2017  
Answer to 52 Pa. Code 53.52 c[3]

Line	Acct No.	Account Title	Accumulated Depreciation							Net Book Value			
			Depr. Rate	Balance	Year Ended 12/31/2016			Balance	Year Ended 12/31/2017			Balance	12/31/2017
				12/31/2015	Per Books	Additions	Retirements	Pro Forma	Additions	Retirements	Pro Forma	12/31/2017	Pro Forma
1		<i>Distribution Plant</i>											
2	360	Land & Land Rights	0.00%	0	0	0	0	0	0	0	0	0	178,334
3	361	Structures and improvements	4.08%	89,180	4,454	0	93,634	4,454	0	98,088	0	0	11,079
4	362	Station Equipment	6.88%	2,082,331	239,354	(45,731)	2,275,954	237,927	(45,731)	2,468,150	0	0	979,729
5	362.01	Station Equipment- Fully depr.		324,557	0	0	324,557	0	0	324,557	0	0	0
6	364	Poles, Tower & Fixtures	3.50%	2,226,388	272,897	(60,805)	2,438,480	300,435	(60,805)	2,678,111	0	0	6,339,149
7	365	Overhead Conductors & Devices	3.97%	1,022,680	115,964	(29,156)	1,109,488	123,461	(29,156)	1,203,792	0	0	2,013,969
8	366	Underground Conduit	3.15%	4,402	926	0	5,328	1,084	0	6,412	0	0	30,487
9	367	Underground Conductors & Devices	4.36%	333,737	33,528	(5,096)	362,169	35,050	(5,096)	392,123	0	0	429,228
10	368	Line Transformers	3.52%	1,002,248	76,502	(30,802)	1,047,948	76,896	(30,802)	1,094,042	0	0	1,096,103
11	369	Services	6.00%	521,738	48,106	(4,532)	565,312	49,334	(4,532)	610,114	0	0	222,357
12	369.1	Underground Services	2.48%	250,918	22,879	(27,900)	245,897	22,336	(27,900)	240,332	0	0	649,346
13	370	Meters	7.70%	270,541	65,468	(30,243)	305,766	64,679	(30,243)	340,202	0	0	494,665
14	371	Installations on Customers' premises	10.37%	109,059	22,172	(7,515)	123,716	22,741	(7,515)	138,943	0	0	83,097
15	373	Street Lighting & Signal Systems	2.40%	8,819	1,502	(2,094)	8,227	1,523	(2,094)	7,656	0	0	56,272
16		Total Distribution Plant		8,246,598	903,751	(243,874)	8,906,475	939,920	(243,874)	9,602,521	0	0	12,583,816
17													
18		<i>General Plant</i>											
19	390.1	Structures & Improvements, office	4.58%	378,845	23,982	0	402,827	24,303	0	427,130	0	0	103,500
20	390.2	Structures & Improvements, other	5.20%	132,132	12,840	0	144,972	13,399	0	158,371	0	0	99,304
21	391	Office Furniture & Equipment	19.49%	32,598	38,232	0	70,830	53,035	0	123,865	0	0	182,247
22	391.1	Office Furn & Equip- Fully depr.		356,317	0	0	356,317	0	0	356,317	0	0	0
23	392	Transportation Equipment	7.00%	613,308	77,422	(13,336)	677,394	84,410	(50,000)	711,804	0	0	506,552
24	394	Tools, Shop & Garage Equipment	6.17%	44,530	4,361	0	48,891	5,132	0	54,023	0	0	29,156
25	395	Laboratory Equipment	2.66%	66,693	2,311	0	69,004	2,311	0	71,315	0	0	15,569
26	396	Power Operated Equipment	3.11%	38,966	2,504	0	41,470	2,504	0	43,974	0	0	36,545
27	397	Communication Equipment	7.71%	172,983	2,781	0	175,764	2,973	0	178,737	0	0	15,470
28	398	Miscellaneous Equipment	0.00%	(64)	0	0	(64)	0	0	(64)	0	0	353
29		Intangible plant, organization	0.00%	0	0	0	0	0	0	0	0	0	1,046
30	301	Intangible plant, EDI	14.28%	0	40,639	0	40,639	40,639	0	81,278	0	0	203,310
31		Total General Plant		1,836,308	205,072	(13,336)	2,028,044	228,706	(50,000)	2,206,750	0	0	1,193,052
32													
33		Total Plant in Service		\$10,082,906	\$1,108,823	(\$257,210)	\$10,934,519	\$1,168,627	(\$293,874)	\$11,809,272	0	0	\$13,776,867

C4

**Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017**

**Reserve for Depreciation of Utility Plant  
12/31/2015, 12/31/2016 and 12/31/2017  
Answer to 52 Pa. Code 53.52 c[4]**

	<b>Per Books</b>	<b>Pro Forma</b>	<b>Pro Forma</b>
<b>Account Title</b>	<b>12/31/2015</b>	<b>12/31/2016</b>	<b>12/31/2017</b>
1 <u>Reserve for Depreciation</u>	<u>\$10,082,906</u>	<u>\$10,934,519</u>	<u>\$11,809,272</u>

C5

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Operating Income Setting Forth the Operating Revenues and Expenses at Present Rates**  
**Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017**  
**Answer to 52 Pa. Code 53.52 c[5]**

<u>Account Title</u>	<u>Year Ended</u> <u>12/31/2015</u> <u>[Per Books]</u>	<u>Year Ended</u> <u>12/31/2015</u> <u>Distribution Only</u>	<u>Year Ended</u> <u>12/31/2016</u> <u>Distribution Only</u>	<u>Year Ended</u> <u>12/31/2017</u> <u>Distribution Only</u>
1 Operating revenue	\$14,279,419	\$4,797,814	\$4,557,223	\$4,567,443
2				
3 <u>Operating revenue deductions:</u>				
4 Operating expenses	11,193,507	2,258,257	2,504,537	2,604,391
5 Depreciation expense	996,548	996,548	1,108,823	1,168,627
6 Taxes other than income tax	921,781	333,166	319,574	319,574
7 Rate case expense amortization	0	0	0	76,667
8 Total Operating revenue deductions	13,111,836	3,587,971	3,932,934	4,169,259
9				
10 Net operating income before income taxes	1,167,583	1,209,843	624,289	398,184
11				
12 Income tax expense	238,184	255,338	1,525	(80,739)
13				
14 Net utility operating income	\$929,399	\$954,505	\$622,764	\$478,923

C5-1

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**

**Comparison to Prior Rate Case**  
**Prior Rate Case and Fully Projected Future Test Year 2017**

Description	Fully Projected Future Test Year 2017	R-2010-2172662	Difference	Tax Gross-up 1.7889 <u>Revenue Requirement Effect</u>
1 Plant in service	\$25,586,139	\$17,414,149	\$8,171,990	
2 Accumulated Depreciation	(11,809,272)	(7,214,156)	(4,595,115)	
3 ADIT	(28,155)	(501,413)	473,258	
4 Other rate base, net	307,098	594,529	(287,431)	
5	<u>14,055,810</u>	<u>10,293,109</u>	<u>3,762,702</u>	
6 Return at R-2010-2172662 WACC	8.59%	8.59%		
7 Target return	1,207,724	884,420	323,304	578,345
8 Depreciation expense	1,168,627	771,805	396,821	709,856
9 Due to Capital spending- Rate base, Return, Depreciation			<u>720,125</u>	<u>1,288,202</u>
10				
11 Target rate of return on rate base	7.38%	8.59%	(1,21%)	
12 Rate base			<u>14,055,810</u>	
13 Due to Rate of Return on Rate base			(169,843)	(303,825)
14				
15 Taxes other than income	319,574	337,463	(17,889)	(32,001)
16 Distribution O&M expenses	2,600,320	2,478,291	122,029	218,292
17 (Revenue) at present rates	(4,567,443)	(4,472,014)	(95,429)	(170,709)
18 Due to Revenue and Expenses			<u>8,710</u>	<u>15,582</u>
19 Rounding				(62)
20 <b>Total Revenue Deficiency</b>				<u><u>999,896</u></u>
21				



**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Distribution System Functionalization and Classification**

<b>Primary / Secondary Split for OH ad UG Conductors</b>
--

	<b>Zero-Load Components for Secondary</b>			
	<b>Poles</b>	<b>Overhead Conductors</b>	<b>Underground Conductors</b>	
1				
2				
3	Labor	34.9%	28.2%	31.9%
4	Overhead	22.9%	19.8%	18.8%
5	Vehicle	6.2%	4.5%	5.7%
6	<b>Zero-Load Component</b>	<b>64.0%</b>	<b>52.6%</b>	<b>56.4%</b>
7	Material	36.0%	47.4%	43.6%
8	Total Cost	100.0%	100.0%	100.0%

9 Overheads are spread over labor hours.

	<b>Poles</b>	<b>Overhead Conductors</b>	<b>Underground Conductors</b>	
11				
12	Labor	201,661	26,186	21,719
13	Overhead	132,390	18,407	12,795
14	Transportation	35,846	4,210	3,896
15	Materials	207,655	44,007	29,737
16		577,552	92,809	68,148
17				





D3

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017  
Transformers Classification

Transformers Minimum Size Component							
Line	Minimum Size	Minimum Size	Cost for Minimum Size	Total Cost Minimum Size	Number	Replacement Cost	Minimum Size Component
1	TPM10	10 kVA	550	2,013,000	3,660	3,266,257	61.6%
2			550	2,013,000	3,660	3,266,257	61.6%
3							
4							
Transformers Unit Costs							
5	Description	Description	Cost	Install	Total	Quantity	Total Cost
<b>Line Transformers</b>							
6	TPM1.5	1.5 - KVA	\$454	\$100	\$554	20	11,072
7	TPM5			\$100	\$550	275	151,250
8	TPM7.5				\$550	26	14,300
9	TPM10	10 - KVA	\$450	\$100	\$550	1,039	571,450
10	TPM15	15 - KVA	\$595	\$100	\$695	1,217	845,815
11	TPM25	25 - KVA	\$850	\$100	\$950	485	460,750
12	TPM37	37.5 - KVA	\$1,050	\$100	\$1,150	152	174,800
13	TPM50		\$1,150	\$100	\$1,150	107	123,050
14	TPM75		\$1,695	\$100	\$1,795	39	70,005
15	TPM100		\$1,875	\$100	\$1,975	34	67,150
16	TPM150				\$2,895	5	14,475
17	TPM167	167 - KVA pole Mount	\$2,795	\$100	\$2,895	8	23,160
18	TPM250	250 - KVA pole Mount	\$3,755	\$100	\$3,855	3	11,565
19	TPM300				\$4,103	15	61,538
20	TPM333	333 - KVA pole Mount	\$4,250	\$100	\$4,350	8	34,800
21	TPM500				\$6,532	7	45,721
22	TPM750				\$9,797	2	19,595
23							
24	<b>Pad-Mounted Transformers- 1-Phase</b>						
25	TPD10		\$1,008	\$150	\$1,158	7	8,106
26	TPD15		\$1,055	\$150	\$1,205	50	60,250
27	TPD25		\$1,212	\$150	\$1,362	94	128,013
28	TPD37		\$1,337	\$150	\$1,487	8	11,898
29	TPD50		\$1,650	\$150	\$1,800	12	21,601
30	TPD75		\$2,345	\$150	\$2,495	1	2,495
31	TPD100				\$3,450	5	17,251
32	TPD167		\$4,255	\$150	\$4,405	7	30,835
33	TPD500				\$13,189	3	39,566
34	TPD750				\$19,783	1	19,783
35							
36	<b>Pad-Mounted Transformers- 3 Phase</b>						
37	TPD45		\$5,775	\$600	\$6,375	5	31,875

D3

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017  
Transformers Classification

Transformers Minimum Size Component							
Line	Minimum Size	Minimum Size	Cost for Minimum Size	Total Cost Minimum Size	Number	Replacement Cost	Minimum Size Component
1	TPM10	10 kVA	550	2,013,000	3,660	3,266,257	61.6%
2			550	2,013,000	3,660	3,266,257	61.6%
3							
4							
Transformers Unit Costs							
	Description	Description	Cost	Install	Total	Quantity	Total Cost
38	TPD75				\$6,578	1	6,578
39	TPD112.5		\$6,180	\$600	\$6,780	10	67,800
40	TPD150				\$7,044	2	14,087
41	TPD225		\$6,707	\$600	\$7,307	5	36,535
42	TPD300		\$5,795	\$600	\$6,395	2	12,790
43	TPD500		\$9,375	\$600	\$9,975	4	39,900
44	TPD1000		\$12,700	\$600	\$13,300		-
45	TPD1500		\$15,800	\$600	\$16,400	1	16,400
						3,660	3,266,257

D4

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Service Costs**

	Rate Class	Replacement Cost	Customers	Services Cost
1	Sch. 1- RS	\$262	5,045	1,319,159
2	Sch. 2- RSAE	\$262	44	11,571
3	Sch. 3- NRS	\$262	822	215,473
4	Sch. 3- NRH	\$262	2	524
5	Sch. 4- CS	\$351	351	123,224
6	Sch. 4- CSH	\$351	1	351
7	Sch. 5- IS	\$351	12	4,208
8	Sch. 6- MSL			0
9	Sch. 7- POL			0
10	Sch. 8- EU	\$2,353	4	9,412
11	<b>Total Service Cost</b>		<b>6,282</b>	<b>1,683,922</b>
12				
13	<u>Sch. 1- RS</u>			
14	Residential Overhead	\$222	75%	167
15	Residential Underground	\$380	25%	95
16		\$262	100%	262
17	<u>Sch. 4- CS</u>			
18	Large Commercial Overhead	\$238	85%	202
19	Large Commercial Underground	\$989	15%	148
20		\$351	100%	351

D5

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Meter Costs**

		Customers	Material (a)	Installation	Total Cost Per Meter	Total Meter Cost
1	Sch. 1- RS	5,045	\$126	\$50	\$176	885,829
2	Sch. 2- RSAE	44	\$126	\$50	\$176	7,770
3	Sch. 3- NRS	822	\$126	\$50	\$176	144,416
4	Sch. 3- NRH	2	\$126	\$50	\$176	351
5	Sch. 4- CS	351	\$1,077	\$50	\$1,127	395,971
6	Sch. 4- CSH	1	\$1,077	\$50	\$1,127	1,127
7	Sch. 5- IS	12	\$9,133	\$50	\$9,183	110,199
8	Sch. 6- MSL	2				0
9	Sch. 7- POL	0				0
10	Sch. 8- EU	4	\$9,133	\$50	\$9,183	36,733
11		<u>6,284</u>				<u>1,582,397</u>

12  
13 (A) Includes Meter, as well as CT, PT an dother equipment if applicable  
14

Sch 4	\$564	Single Phase Pole Mount
Sch 4	\$475	Single Phase Pad Mount
Sch 4	\$1,702	Three Phase Pole Mount
Sch 4	\$1,567	Three Phase Pad Mounts
Average	\$1,077	

D6

**Wellsboro Electric Company**  
**Rate Case with Fully Projected Future Test Year 2017**  
**Customer Deposits and Advances; Uncollectible Accounts**

		<u>Revenue</u>	<u>Net Write-Offs</u>	<u>Write-Offs</u>	<u>Deposits</u>
1	Sch. 1- RS	5,683,027	9,206	96.0%	63.5%
2	Sch. 2- RSAE	74,603	121	1.3%	0.8%
3	Sch. 3- NRS	728,496	22	0.2%	3.0%
4	Sch. 3- NRH	2,794	0	0.0%	0.0%
5	Sch. 4- CS	3,484,779	104	1.1%	14.2%
6	Sch. 4- CSH	3,319	0	0.0%	0.0%
7	Sch. 5- IS	4,340,823	130	1.4%	17.7%
8	Sch. 6- MSL	38,940	1	0.0%	0.2%
9	Sch. 7- POL	121,774	4	0.0%	0.5%
10	Sch. 8- EU	15,872	0	0.0%	0.1%
11		<u>14,494,428</u>	<u>9,589</u>	<u>100.0%</u>	<u>100.0%</u>
12					
13	Residential	5,757,630	9,327	97.3%	64.3%
14	Non-residential	8,736,798	262	2.7%	35.7%
15		<u>14,494,428</u>	<u>9,589</u>	<u>100.0%</u>	<u>100.0%</u>
		0.003%			

# TAB E

C1

Wellsboro Electric Company  
Rate Case with Fully Projected Future Test Year 2017

Net Operating Income And Rates of Return  
Historic Year 2015, Future Test Year 2016 and Fully Projected Future Test Year 2017  
Answer to 52 Pa. Code 53.52 c[1]

Line	Description	Historic Year 2015		Present Rates	Present Rates Fully	Proposed Rates
		Per Books	Distribution Only	12/31/2016	Projected	Fully Projected
				Distribution Only	Distribution Only	Distribution Only
					12/31/2017	12/31/2017
1	<b>REVENUE</b>					
2	Residential	\$5,757,630	\$2,216,576	\$2,243,733	\$2,248,884	\$2,891,646
3	Commercial and industrial	8,560,212	2,384,404	2,116,683	2,121,753	2,477,040
4	Lighting	160,714	91,538	91,538	91,538	91,390
5	Sales for resale	15,872	6,542	6,516	6,516	8,673
6	Rounding					(162)
7	Electric operating revenue	14,494,428	4,699,061	4,458,470	4,468,690	5,468,586
8	Other revenue, net	98,753	98,753	98,753	98,753	98,753
9	GSSR under (over)/ E-factors/ Used not billed	(313,762)	0	0	0	0
10	Total Revenue	14,279,419	4,797,814	4,557,223	4,567,443	5,567,339
11	Annual kWh	120,603,698	120,603,698	110,210,620	106,065,175	106,065,175
12	<b>EXPENSES</b>					
13	Purchased electricity	8,935,250	0	0	0	0
14	Distribution	750,861	750,861	897,637	975,034	975,034
15	Customer accounting & collection expenses	509,495	509,495	516,664	532,164	532,164
16	Sales expense, Public relations	6,840	6,840	10,010	10,310	10,310
17	Administrative & general expenses	991,061	991,061	1,080,226	1,086,883	1,086,883
18	Total Operating expenses	11,193,507	2,258,257	2,504,537	2,604,391	2,604,391
19						
20	Depreciation expense	996,548	996,548	1,108,823	1,168,627	1,168,627
21	Taxes other than income	921,781	333,166	319,574	319,574	378,577
22	Rate case expense amortization				76,667	76,667
23	Total Expenses	13,111,836	3,587,971	3,932,934	4,169,259	4,228,262
24						
25	Net operating income before income taxes	1,167,583	1,209,843	624,289	398,184	1,339,077
26						
27	Income tax expense	238,184	255,338	1,525	(80,739)	301,202
28	<b>Net Utility Operating Income</b>	<b>\$929,399</b>	<b>\$954,505</b>	<b>\$622,764</b>	<b>\$478,923</b>	<b>\$1,037,875</b>
29						
30	<b>Rate Base</b>	<b>\$13,395,835</b>	<b>\$13,395,835</b>	<b>\$13,713,560</b>	<b>\$14,055,810</b>	<b>\$14,055,810</b>
31	<b>Rate Of Return On Rate Base</b>	<b>6.94%</b>	<b>7.13%</b>	<b>4.54%</b>	<b>3.41%</b>	<b>7.38%</b>



C1-7

**Wellsboro Electric Company  
 Rate Case with Fully Projected Future Test Year 2017**

3

**Summary of Cost of Capital and Fair Rate of Return Based upon a Hypothetical Ratemaking Capital Structure  
 12/31/2017**

	<u>Type of Capital</u>	<u>Ratios (1)</u>	<u>Cost Rate</u>	<u>Weighted Cost Rate</u>	
1	Long-Term Debt	50.70%	5.000%	2.54%	
2	Short-Term Debt	0.00%		0.00%	
3	Total Debt	50.70%		2.54%	
4					
5	Preferred Stock	1.10%	4.000%	0.04%	
6	Common Equity	48.20%	9.969%	4.81%	10.500%
7	Total	100.00%	10.058%	7.38%	
8			Target ROR	7.3840%	

[1] Recommended hypothetical capital structure ratios as discussed in direct testimony.

[2] Average debt cost rate calculated as follows:

12

# TAB F

## WELLSBORO ELECTRIC COMPANY

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General Tariff of  
Rates, Rules and Regulations Governing  
the Provision of Electric Service  
in  
The Borough of Wellsboro  
and the Townships of Charleston,  
Delmar and Middlebury, Tioga County, Commonwealth of Pennsylvania

Issued August 31, 2016

Effective October 30, 2016

Issued by: Craig Eccher, President and Chief Executive Officer  
Wellsboro Electric Company  
33 Austin Street  
Wellsboro, PA 16901

# NOTICE

**THIS TARIFF MAKES ~~CHANGES~~ TO EXISTING  
RATES, RULES AND REGULATIONS  
See Page 2**

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**LIST OF CHANGES**

Supplement No. 102 implements a distribution rate increase and certain other changes to Wellsboro's Rules and Regulations in its tariff. Specifically, Supplement No. 102:

- Page 5: Updates the definition of "Connected Load" to add examples of the types of equipment that are included in the calculation.
- Pages 35 and 36: Increases the "Fixed Distribution Service Charge" and the variable distribution charges for all energy consumption; changes the "Application of Schedule" section to clarify facilities that are not eligible for Residential service; and updates language regarding billing for situations where multiple dwelling units in a single structure are supplied through a single meter.
- Pages 37 and 37A: Increases the "Fixed Distribution Service Charge," the variable distribution charge and the Monthly Minimum Charge.
- Pages 38, 39 and 39A: Increases the "Fixed Distribution Service Charge," the variable distribution charge and the Monthly Minimum Charge for both NRS and NRH accounts.
- Pages 40 and 41: Increases the "Fixed Distribution Service Charge," the monthly demand charge, the variable distribution charge, and the Monthly Minimum Charge for CS accounts; clarifies the explanation of when a customer will be moved to or from Service Schedule No. 4; changes the monthly Billing kW calculation to reflect a 50% demand ratchet; and increases the "Fixed Distribution Service Charge," the variable distribution charge and the Monthly Minimum Charge for CSH accounts;
- Pages 42 and 42A: Increases the "Fixed Distribution Service Charge," the monthly demand charge, the first block and tail block of the variable distribution charge, and the Monthly Minimum Charge; and changes the monthly Billing kW calculation to reflect a 50% demand ratchet.
- Pages 43 and 44: Increases the distribution charges and adds new language regarding the assumed monthly kWh consumption for each type of light.
- Page 45: Increases the distribution charge for the delivery of energy on an emergency basis to customers of other utilities.
- Page 46: Sets the "State Tax Adjustment Surcharge" to 0.00% as of October 30, 2016.

**TABLE OF CONTENTS**

	<u>PAGE</u>	
Title Page .....	Supplement No. 102	(C)
List of Changes .....	2 Ninety-Second Revised	(C)
Table of Contents .....	3 Ninety-Second Revised	(C)
.....	4 Ninety-Second Revised	(C)
Definitions .....	5 Third Revised	(C)
.....	6 Second Revised	
.....	7 Second Revised	
.....	8 Original	
<b>Rules and Regulations</b>		
1. Filing and inspection .....	9 Original	
2. Supply of service .....	9 Original	
3. Responsibility .....	10 First Revised	
4. Contract and service charge .....	10 First Revised	
5. Selection of schedules .....	11 Second Revised	
6. Deposits .....	11 Second Revised	
7. Requirements for service .....	12 Second Revised	
.....	13 Original	
8. Access .....	14 Original	
9. Service limitations .....	14 Original	
10. Company's Service equipment .....	15 Second Revised	
11. Consumer's installation .....	16 Original	
12. Equipment tampering .....	17 Original	
13. Meter testing .....	17 Original	
14. Continuity of service .....	17,18 Original	
15. Billing and bills payable .....	19 Fourth Revised	
16. Returned check charge .....	19 Fourth Revised	
17. Termination of service for non-payment .....	20 First Revised	
18. Temporary discontinuance of service .....	21 Fifth Revised	
19. Metering Adjustment .....	21 Fifth Revised	
20. Line extension .....	21 Fifth Revised	
.....	22 Original	
.....	23 Second Revised	
21. Increased capacity or extension of facilities .....	24 Original	
22. Pole removal or relocation charges .....	25 Original	
23. Underground electric service in new residential developments .....	26,27,28,29 Original	
24. Underground electric service to individual residential customers .....	30 Original	

(C) Indicates Change

**TABLE OF CONTENTS (Continued)**

	<u>PAGE</u>	
Rules and Regulations (continued)		
25. Taxes on contributions in aid of construction & customer advances.....	31	Original
26. Emergency energy conservation.....	31	Original
27. Emergency load control.....	32	Original
28. Advanced metering or meter related devices .....	33	Fourth Revised
29. [Reserved].....	33	Fourth Revised
30. Electric generation supplier switching and service address changes .....	33	Fourth Revised
.....	34	Second Revised
.....	34A	Original
31. Load data exchange.....	34A	Original
<b>SERVICE SCHEDULES</b>		
No. 1 Residential.....	35	Sixtieth Revised (C)
.....	36	First Revised (C)
No. 2 Residential-all electric.....	37	Fifty-Ninth Revised (C)
.....	37A	Seventh Revised (C)
No. 3 General-Non-residential.....	38	Fifty-Ninth Revised (C)
.....	39	Fourteenth Revised (C)
.....	39A	Fifty-Second Revised (C)
No. 4 General-commercial.....	40	Fifty-Ninth Revised (C)
.....	41	Fifty-Ninth Revised (C)
No. 5 General-industrial.....	42	Fifty-Ninth Revised (C)
.....	42A	Seventh Revised (C)
No. 6 Municipal street lighting.....	43	Fifty-Eighth Revised (C)
No. 7 Private outdoor lighting .....	44	Fifty-Eighth Revised (C)
.....	44A	Second Revised
No. 8 Exchange of service.....	45	Forty-Eighth Revised (C)
<b>RIDERS</b>		
A. State tax adjustment surcharge .....	46	Twenty-Third Revised (C)
B. Qualified advanced meters and meter-related devices .....	47,48	First Revised
C. Generation Supply Service Rate – 1 Rider .....	49	Sixth Revised
C. Generation Supply Service Rate – 1 Rider .....	49A	First Revised
C. Generation Supply Service Rate – 2 Rider .....	50	Third Revised
C. Generation Supply Service Rate – 2 Rider .....	50A	Original
D. Net-metering .....	51, 52, 53,	First Revised
D. Net-metering .....	54	Original
E. Reserved for future use.....	55	Third Revised
F. Customer Choice Support Charge .....	56, 57	First Revised
F. Customer Choice Support Charge.....	58	Third Revised
F. Customer Choice Support Charge .....	59	First Revised

(C) Indicates Change



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**DEFINITIONS**

These definitions apply to the rates, rules and regulations contained in this tariff:

**ANNUAL BILL:** Sum of bills of regulated, competitive and Default Service charges rendered over a twelve-month period. The Annual Bill shall be calculated on the basis of the annual bill to the dwelling at which service is being requested over the prior twelve-month period, or, if unavailable, a similar dwelling in close proximity.

**APPLICANT:** A natural person not currently receiving service who applies for residential service provided by the Company or any adult occupant whose name appears on the mortgage, deed or lease of the property for which residential service is requested.

**AUXILIARY SERVICE:** The service supplied to connected loads, the wiring for which is entirely separate and apart from the wiring for connected loads supplied from Customers private generating equipment or other sources.

**BILLING MONTH:** 1/12 of a year, or the period of approximately thirty days between two regular consecutive readings of Company's meter or meters installed on Customer's premises, but no less than 26 days and not more than 35 days.

**COMPANY:** Wellsboro Electric Company

**CONNECTED LOAD:** The sum of the KW input ratings of all devices, such as lights, motors or other electric-consuming equipment, located on customer's premises which are connected to Company's service, or which can be connected simultaneously by the insertion of fuses or by the closing of a switch. The manufacturer's nameplate rating may be used to determine the input rating of a particular device. In the absence of such manufacturer's rating, or whenever a test by Company shall indicate improper rating of a device, the rating will be determined on the basis of the kilovolt-amperes required for its operation.

(C)  
(C)

**CUSTOMER'S INSTALLATION:** All wires, cut-outs, switches, appliances and apparatus of every kind and nature used in connection with or forming a part of an installation for utilizing electric energy for any purpose, located on the Customer's side of point of delivery and including the service leads, whether such installation is owned outright by Customer or used by Customer under lease or otherwise.

**CONTRACT DEMAND:** The capacity required for operation of customer's equipment, as stated in the application for service.

**CUSTOMER:** Rate payer or occupant who is a person, partnership, association, corporation, or other entity in whose name a service account is listed, and who is primarily responsible for payment of bills. For residential accounts, Customer includes a natural person in whose name the account is listed and who is primarily responsible for payment of bills rendered for the service and any adult occupant whose name appears on the mortgage, deed or lease of the property.

**DEFAULT SERVICE:** The provision of energy, capacity and transmission service as the default service provider to customers that: (1) are not eligible to obtain service from an EGS, (2) choose not to obtain service from an EGS, (3) return to default service after having obtained service from an EGS or (4) who contract with an EGS and that EGS fails to deliver such energy.

**DEMAND:** The rate of use of energy during a specified time interval, expressed in kilowatts.

**DISTRIBUTION CHARGE:** Basic service charge for delivering electricity over a distribution system to the home or business from the transmission system.

(C) Indicates Change

**SERVICE SCHEDULE NO. 1**

**RESIDENTIAL SERVICE (RS)**

**Application of Schedule**

Service under Rate RS is available to: (1) An individual dwelling unit, either a house, a mobile home or an individually metered apartment, where there is no more than 2,000 watts connected load associated with any commercial enterprise served as part of the dwelling unit; (2) A residential farm where the metered service includes service to an occupied dwelling unit; and (3) A camp or cottage served in the name of an individual and intended for part-time occupancy as a dwelling by a family or an individual.

Specifically excluded is service to: (1) Any facility not including an occupied dwelling unit, such as a separately metered garage, barn, water pump, etc., and (2) Any camp, cottage or other facility served in the name of, or for the use of, a corporation, partnership, association, society, club, etc.

(C)  
(C)

Motors whose individual rating is in excess of 5 H.P. will not be served under this rate.

**Character of Service**

Continuous alternating current, approximately 60 cycles; 120 or 120/240 volts, single phase.

**Net Monthly Rate**

**Fixed Distribution Service Charge:** \$15.00

(I)

**Variable Distribution Service Charge:**

All kWh 4.4500 cents per kWh

(I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR-1 determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR-1 is 7.335 cents per kWh. The GSSR-1 includes energy, capacity, transmission, ancillary services, congestion and administrative charges.

**Net Monthly Minimum Charge**

\$15.00 per month unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations.

(I)

(C) Indicates Change

(I) Indicates Increase



**SERVICE SCHEDULE NO. 1 (continued)**

**RESIDENTIAL SERVICE (RS) (continued)**

**Terms of Payment**

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 20 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 20 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

**Budget Billing**

At the option of the Customer, Company will make an estimate subject to revisions when conditions warrant, of the total charge for electric service to be billed hereunder for a twelve-month period. A budget bill for approximately one-twelfth of such estimate will be (C) rendered monthly. Any adjustment necessary in applying for the full period the actual charges herein established will be made on the final bill for the period. If a budget bill is unpaid when the next monthly bill is rendered, the budget arrangements for billing may be terminated by the Company.

**Two or More Separate Dwelling Units**

Service to a maximum of five dwelling units in a single structure may be supplied through a single meter under this rate, in which case the Fixed Distribution Service Charge each month is multiplied by the number of dwelling units served.

(C)  
(C)

(C) Indicates Change

**SERVICE SCHEDULE NO. 2**

**RESIDENTIAL SERVICE - ALL ELECTRIC (RSAE)**

**Restrictions:**

This rate is in the process of elimination and is restricted solely to existing loads of customers at present locations who were receiving service hereunder on May 31, 1980.

**Application of Schedule**

Available to residential customers using the company's standard single phase service at secondary voltage through one meter for general lighting, appliance operation, and as the sole primary method of space heating and water heating.

**Character of Service**

Continuous alternating current, approximately 60 cycles: 120 or 120/240 volts, single phase.

**Net Monthly Rate**

<b>Fixed Distribution Service Charge</b>	\$15.00	(I)
<b>Variable Distribution Service Charge</b>		

All kWh	4.5680 cents per kWh	(I)
---------	----------------------	-----

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR-1 determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR-1 is 7.335 cents per kWh. The GSSR-1 includes energy, capacity, transmission, ancillary services, congestion and administrative charges.

(I) Indicates Increase

**SERVICE SCHEDULE NO. 2 (continued)**

**RESIDENTIAL SERVICE - ALL ELECTRIC (RSAE) (continued)**

**Net Monthly Minimum Charge**

The minimum charge shall be \$15.00 per month.

(I)

**Terms of Payment**

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 20 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 20 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

**Budget Billing**

At the option of the Customer, Company will make an estimate subject to revisions when conditions warrant, of the total charge for electric service to be billed hereunder for a twelve-month period. A budget bill for approximately one-twelfth of such estimate will be rendered monthly. Any adjustment necessary in applying for the full period the actual charges herein established will be made on the final bill for the period. If a budget bill is unpaid when the next monthly bill is rendered, the budget arrangements for billing may be terminated by the Company.

(I) Indicates Increase

---

**SERVICE SCHEDULE NO. 3**

**GENERAL SERVICE - (NRS) – Non-residential Service  
(NRH) – Non-residential Service Space Heating**

**Application of Schedule**

Applies to the supply from available facilities of single or three phase general light, heat or power service at secondary voltage for usages that do not qualify under Rate RS and only when all such service is supplied through one meter and the demand is 7 kilowatts or less.

**Character of Service**

Continuous, alternating current, approximately 60 cycles; 120 or 120/240 volts.

**Net Monthly Rate**

**Fixed Distribution Service Charge**      \$15.00

**Variable Distribution Service Charge**

(I)

All kWh      5.9230 cents per kWh

(I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR-1 determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR-1 is 7.335 cents per kWh. The GSSR-1 includes energy, capacity, transmission, ancillary services, congestion and administrative charges.

(I) Indicates Increase

---

**SERVICE SCHEDULE NO. 3 (continued)**

**GENERAL SERVICE - (NRS) – Non-residential Service  
(NRH) – Non-residential Service Space Heating**

**Net Monthly Minimum Charge**

\$15.00 per month, unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations. (I)

**Terms of Payment**

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

**Contract Period**

Not less than one year.

**SPECIAL PROVISION**

Upon application, pursuant to Act 103 of 1985 and Act No. 203 of 2002, Volunteer Fire Companies, Non-Profit Ambulance Services, Non-Profit Rescue Squads and Non-Profit Senior Citizens Centers may elect to have electric service rendered under the Residential Service (RS) rate schedule upon execution of a contract for a minimum term of one year.

**SPACE HEATING SERVICE**

**Restrictions:**

This rate is in the process of elimination and is restricted solely to existing loads of Customers at present locations who were receiving service hereunder on May 31, 1980.

Upon request, space heating service may be supplied through a separate metered circuit for customers utilizing electricity as the primary method of space heating. Air conditioning and cooking equipment may also be connected to the heating circuit.

(I) Indicates Increase

**SERVICE SCHEDULE NO. 3 (continued)**

**GENERAL SERVICE - (NRS) – Non-residential Service  
(NRH) – Non-residential Service Space Heating**

**SPACE HEATING SERVICE (continued)**

**Net Monthly Rate**

**Fixed Distribution Service Charge** \$15.00 (I)  
**Variable Distribution Service Charge**

All kWh 7.0160 cents per kWh (I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR-1 determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR-1 is 7.335 cents per kWh. The GSSR-1 includes energy, capacity, transmission, ancillary services, congestion and administrative charges.

**GENERAL SERVICE - (NRS) – Non-residential Service  
(NRH) – Non-residential Service Space Heating**

**Net Monthly Minimum Charge**

\$15.00 per month, unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations. (I)

(I) Indicates Increase



**SERVICE SCHEDULE NO. 4**

**GENERAL SERVICE - 7 Kilowatts Minimum**

- (CS) -- Commercial Service
- (CSH) - Commercial Service - Space Heaters

**Application of Schedule**

Applies to the supply from available facilities of single or three phase general light, heat or power service for a demand of not less than 7 kilowatts, at secondary voltage, only when all such service is supplied through one meter.

For existing customers that are served on other Service Schedules, this rate shall apply when the customer's monthly metered demand is 7 kW or greater for two (2) consecutive months. This Schedule shall apply beginning in the second consecutive month that the 7 kW metered demand is established, and all subsequent months. If the customer's kW remains below 7 kW for twelve (12) consecutive months, the Company, upon request, will evaluate the account and determine the rate schedule most advantageous to the customer.

(C)  
 |  
 (C)

**Net Monthly Rate**

<b>Fixed Distribution Service Charge</b>	\$35.00	
<b>Variable Distribution Service Charge</b>		
All Billing KW	\$6.00 per KW	
All kWh	2.1290 cents per kWh	

(I)  
 (I)  
 (I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company, the generation charge is the GSSR-1 or the GSSR-2, determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers.

Customers with monthly billing demands under 400 kW for each of the prior 12 months will pay the GSSR-1. As set forth in Rider C-GSSR-1, the GSSR-1 rate includes projected energy, capacity, transmission, ancillary services, congestion and administrative charges. The current GSSR-1 is 7.335 cents per kWh

Customers with a monthly billing demand of 400 kW or more during any month in the last 12 months will pay the GSSR-2. The GSSR-2 includes the Administrative Charges defined in Rider C – GSSR-2 (including administrative, ancillary, and congestion charges from the wholesale supplier and administrative charges from the Company). Costs for energy, capacity and transmission (including RTEP) will be added to the Administrative Charge as set forth in Rider C – GSSR-2. The current GSSR-2 Administrative Charge is 1.019 cents per kWh.

**Net Monthly Minimum Charge**

\$35.00 plus \$6.00 per Kilowatt of the Billing KW

(I)

**Determination of Billing KW**

The Billing KW shall be the average kilowatts supplied during the 15 minute period of maximum use during the current month but not less than 50% of the highest during any of the preceding 11 months, nor less than 7 kilowatts. For billing purposes the Billing KW shall be rounded to the nearest kilowatt.

(C)  
 (C)

The Billing KW may be determined by measurement by means of a demand meter installed by the Company whenever it deems it necessary.

(C) Indicates Change

(I) Indicates Increase

**SERVICE SCHEDULE NO. 4 (continued)**

**Terms of Payment**

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

**Contract Period**

Not less than one year.

**SPACE HEATING SERVICE**

**Restrictions:**

This rate is in the process of elimination and is restricted solely to existing loads of Customers at present locations who were receiving service hereunder on May 31, 1980.

Upon request, space heating service may be supplied through a separate metered circuit for customers utilizing electricity as the primary method of space heating. Air conditioning and cooking equipment may also be connected to the heating circuit.

**Net Monthly Rate**

**Fixed Distribution Service Charge** \$50.00

**Variable Distribution Service Charge**

(I)

All kWh 5.0600 cents per kWh

(I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company, the generation charge is the GSSR-1 or the GSSR-2, determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers.

Customers with monthly billing demands under 400 kW for each of the prior 12 months will pay the GSSR-1. As set forth in Rider C-GSSR-1, the GSSR-1 rate includes projected energy, capacity, transmission, ancillary services, congestion and administrative charges. The current GSSR-1 is 7.335 cents per kWh

Customers with a monthly billing demand of 400 kW or more during any month in the last 12 months will pay the GSSR-2. The GSSR-2 includes the Administrative Charges defined in Rider C – GSSR-2 (including administrative, ancillary, and congestion charges from the wholesale supplier and administrative charges from the Company). Costs for energy, capacity and transmission (including RTEP) will be added to the Administrative Charge as set forth in Rider C – GSSR-2. The current GSSR-2 Administrative Charge is 1.019 cents per kWh.

**Net Monthly Minimum Charge**

\$50.00 per month, unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations.

(I)

(I) Indicates Increase



**SERVICE SCHEDULE NO. 5**

**GENERAL SERVICE - 2300 Volts or Higher - 50 Kilowatt Minimum  
 - (IS) -- Industrial Services**

**Application of Schedule**

Applies to the supply from available facilities of three phase general light and power service at primary voltage, for not less than 50 kilowatts at primary voltage when Customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

**Net Monthly Rate**

<b>Fixed Distribution Service Charge</b>	\$80.00	(I)
<b>Variable Distribution Service Charge</b>		
All KW	\$8.50 per KW	(I)
First 130 kWh times Billed Demand kW	2.0110 cents per kWh	(I)
Additional kWh	0.1050 cents per kWh	(I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company, the generation charge is the GSSR-1 or the GSSR-2, determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers.

Customers with monthly billing demands under 400 kW for each of the prior 12 months will pay the GSSR-1. As set forth in Rider C-GSSR-1, the GSSR-1 rate includes projected energy, capacity, transmission, ancillary services, congestion and administrative charges. The current GSSR-1 is 7.335 cents per kWh

Customers with a monthly billing demand of 400 kW or more during any month in the last 12 months will pay the GSSR-2. The GSSR-2 includes the Administrative Charges defined in Rider C – GSSR-2 (including administrative, ancillary, and congestion charges from the wholesale supplier and administrative charges from the Company). Costs for energy, capacity and transmission (including RTEP) will be added to the Administrative Charge as set forth in Rider C – GSSR-2. The current GSSR-2 Administrative Charge is 1.019 cents per kWh.

(I) Indicates Increase

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**SERVICE SCHEDULE NO. 5 (continued)**

**GENERAL SERVICE - 2300 Volts or Higher - 50 Kilowatt Minimum  
- (IS) -- Industrial Services**

**Net Monthly Minimum Charge**

The minimum charge shall be \$80.00 plus \$8.50 per kW of the Billing kW.

(I)

**Billing KW**

The Billing KW shall be the average kilowatts supplied during the 15 minute period of maximum use during the current month but not less than 50% of the highest during any of the preceding 11 months. For billing purposes the billing KW shall be taken to the nearest kilowatt.

(C)

**Power Factor**

Power factor will be computed each month from the registration of a watt-hour meter, to record kilowatt-hours (kWh) and a reactive component watt-hour meter, ratcheted to prevent reverse rotation, to record reactive kilovolt amperehours (RKVAH), in accordance with Company's standard practice. Should the power factor be less than 90% (lagging), the demand for billing purposes shall be multiplied by a factor determined by dividing 0.90 by the computed power factor expressed as a decimal.

**Term of Payments**

Bill will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

**Contract Period**

Not less than one year.

**SERVICE SCHEDULE NO. 6  
MUNICIPAL STREET LIGHTING**

**Application of Schedule**

Applicable to Municipal Street Lighting.

**Rate per lamp for a period of one year.**

7,000 Lumens Lamp (mercury)	\$ 73.68 per year	(I)
20,000 Lumens Lamp (mercury)	\$ 130.20 per year	(I)
9,500 Lumens Lamp (Sodium)	\$ 90.00 per year	(I)
16,000 Lumens Lamp (Sodium)	\$ 91.56 per year	(I)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR-1 determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR-1 is 7.335 cents per kWh. The GSSR-1 includes energy, capacity, transmission, ancillary services, congestion and administrative charges.

Municipal Street Lights are not metered. In calculating Default Service Charges and EGS delivery obligations, the following monthly usage will be used for each light:

7,000 Lumens Lamp (mercury)	70 kWh	(C)
20,000 Lumens Lamp (mercury)	155 kWh	(C)
9,500 Lumens Lamp (Sodium)	70 kWh	(C)
16,000 Lumens Lamp (Sodium)	68 kWh	(C)

**Term of Contract:**

Not less than two (2) years.

**Terms of Payment**

Payment of 1/12 the annual rate shall be made on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

**Special Provisions**

All the lights shall be kept burning from one-half hour after sunset to one-half hour before sunrise, Eastern Standard Time, during every night in the year.

All lamps to be replaced when necessary by the Wellsboro Electric Company.

**Replacement Clause**

When the Company is requested to convert presently installed Mercury Vapor lights to High Pressure Sodium Vapor Lights, and if the present installation is less than twenty years old, the Customer is required to pay the removal cost plus the remaining value of the present installation. If the Customer requests High Pressure Sodium service within 12 months after terminating an existing installation, the above condition of service will apply.

(I) Indicates Increase

(C) Indicates Change

**SERVICE SCHEDULE NO. 7  
 PRIVATE OUTDOOR LIGHTING SERVICE**

**Availability**

Available in the entire territory of the Company for dusk to dawn lighting of private areas and roadways.

**Net Rate (Per Month)**

7,000 Lumens Lamp (mercury)	\$ 6.39	(D)
20,000 Lumens Lamp (mercury)	\$ 11.12	
9,500 Lumens Lamp (Sodium)	\$ 7.44	
16,000 Lumens Lamp (Sodium)	\$ 7.57	(D)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR-1 determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR-1 is 7.335 cents per kWh. The GSSR-1 includes energy, capacity, transmission, ancillary services and congestion.

Private Outdoor Lights are not metered. In calculating Default Service Charges and EGS delivery obligations, the following monthly usage will be used for each light: (C)

7,000 Lumens Lamp (mercury)	70 kWh	
20,000 Lumens Lamp (mercury)	155 kWh	
9,500 Lumens Lamp (Sodium)	70 kWh	
16,000 Lumens Lamp (Sodium)	68 kWh	(C)

(D) Indicates Decrease

(C) Indicates Change

**SERVICE SCHEDULE NO. 8  
EXCHANGE OF SERVICE**

**Application of Schedule**

Application to an exchange of energy with other utilities.

**Net Rate (per month)**

For all energy delivered over the Company's switchboard to other utilities for emergency service 7.5420 cents per kWh. (l)

For all energy delivered to other utilities at the Company's franchise limits, under "Borderline Agreements," 7.5420 cents per kWh, with guaranteed monthly return equal to 1 1/2% of "Construction Costs" for all new pole lines necessary to effect the delivery. (l)

**Generation and Transmission Charge**

For customers purchasing generation supply service from Wellsboro Electric Company, the generation charge is the GSSR-1 or the GSSR-2, determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers.

Customers with monthly billing demands under 400 kW for each of the prior 12 months will pay the GSSR-1. As set forth in Rider C-GSSR-1, the GSSR-1 rate includes projected energy, capacity, transmission, ancillary services, congestion and administrative charges. The current GSSR-1 is 7.335 cents per kWh

Customers with a monthly billing demand of 400 kW or more during any month in the last 12 months will pay the GSSR-2. The GSSR-2 includes the Administrative Charges defined in Rider C – GSSR-2 (including administrative, ancillary, and congestion charges from the wholesale supplier and administrative charges from the Company). Costs for energy, capacity and transmission (including RTEP) will be added to the Administrative Charge as set forth in Rider C – GSSR-2. The current GSSR-2 Administrative Charge is 1.019 cents per kWh.

**Terms of Payment**

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

(l) Indicates Increase

**RIDER A – STATE TAX ADJUSTMENT SURCHARGE**

(Applicable to all rates except Service Schedule No. 8)

In addition to the charges provided in this tariff, a surcharge of 0.00% will apply to all bills for service rendered on or after October 30, 2016.

(I)  
(C)

The above surcharge will be recomputed, using the elements prescribed by the Pennsylvania Public Utility Commission.

- (a) Whenever any of the tax rates used in the calculations of the surcharge are changed.
- (b) Whenever the Company makes effective increased or decreased rates.

The above recalculations will be submitted to the Commission within 10 days after the occurrence of the event or date which occasion such re-computation. If the recomputed surcharge is less than the one in effect the Company will, and if the recomputed surcharge is more than the one then in effect the company may submit with such re-computation a Tariff or supplement to reflect such recomputed surcharge; the effective date of which shall be ten days after filing.

# TAB G



Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Index to Class Cost of Service Study

<b>SCHEDULE</b>	<b>DESCRIPTION</b>
E	Index to Class Cost of Service Study
<u>E-1</u>	Summary of Results
<u>E-1A</u>	Class Allocations- Total
<u>E-1B</u>	Revenue Requirement By Functional Classification
<u>E-1C</u>	Customer-Related Costs In Revenue Requirement
<u>E-2</u>	Functionalization
<u>E-3</u>	Classification
<u>E-4A</u>	Class Allocation- Primary Demand
<u>E-4B</u>	Class Allocation- Secondary Demand
<u>E-4C</u>	Class Allocation- Secondary Customer
<u>E-4D</u>	Class Allocation- Billing Customer
<u>E-5A</u>	Allocator Assignments
<u>E-5B</u>	Functionalization Factors
<u>E-5C</u>	Classification Factors
<u>E-5D</u>	Class Allocation Factors



Sum  
Summary of Results  
Tot  
E-1

Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Summary of Results

Line	Account	No.	Balance	RS	RSAE	NRS	NRH	CS	CSII	IS	MSL	POL	EX
1	Distribution Revenue		4,468,690	2,224,136	24,748	387,528	2,150	1,232,938	1,506	497,630	21,219	70,320	6,516
2	Forfeited Discounts		34,274	32,907	432	78	0	373	0	465	4	13	2
3	Other Revenue	303	64,479	31,813	620	3,252	98	16,027	54	12,110	126	346	33
4	<b>Total Revenue</b>		<b>4,567,443</b>	<b>2,288,856</b>	<b>25,800</b>	<b>390,858</b>	<b>2,249</b>	<b>1,249,338</b>	<b>1,560</b>	<b>510,205</b>	<b>21,348</b>	<b>70,679</b>	<b>6,550</b>
5			100.0%	50.1%	0.6%	8.6%	0.0%	27.4%	0.0%	11.2%	0.5%	1.5%	0.1%
6	Expenses		4,088,520	2,368,350	33,393	316,680	4,334	840,379	2,496	478,064	9,868	28,175	6,781
7	Net income		478,923	(79,495)	(7,592)	74,178	(2,085)	408,959	(936)	32,142	11,480	42,504	(231)
8													
9	Rate Base:		14,055,810	7,377,339	118,939	909,422	18,898	3,407,696	10,810	2,017,940	43,606	125,725	25,435
10													
11	Return on Rate Base		3.41%	(1.08%)	(6.38%)	8.16%	(11.03%)	12.00%	(8.66%)	1.59%	26.33%	33.81%	(0.91%)
12	Prior Settlement		4.80%	(2.62%)	(6.59%)	4.09%	(9.20%)	10.52%	(16.07%)	13.88%	71.53%	90.48%	3.59%
13	Revenue Requirement		5,567,345	3,166,795	46,642	409,566	6,491	1,179,880	3,714	692,241	13,747	38,753	9,515
14			100.0%	56.9%	0.8%	7.4%	0.1%	21.2%	0.1%	12.4%	0.2%	0.7%	0.2%
15	Operating expenses		2,518,810	1,517,351	20,963	205,338	2,612	472,409	1,479	274,342	5,533	15,273	3,511
16	Depreciation expense		1,168,627	636,552	9,704	81,161	1,446	267,792	843	158,018	2,722	7,705	2,683
17	Regulatory Commission Expenses		136,499	71,955	1,149	8,887	183	33,037	105	19,468	381	1,091	242
18	General taxes / Other		53,899	28,413	454	3,509	72	13,045	41	7,687	150	431	96
19	Uncollectibles expense		25,750	24,723	325	59	0	280	0	349	3	10	1
20	GRT		324,678	184,969	2,715	23,973	377	68,669	216	40,129	804	2,266	559
21			4,228,262	2,463,963	35,311	322,927	4,691	855,232	2,684	499,994	9,592	26,776	7,092
22	Pre-tax income		1,339,083	702,832	11,331	86,640	1,800	324,648	1,030	192,247	4,154	11,978	2,423
23	Income taxes		301,202	158,089	2,549	19,488	405	73,023	232	43,242	934	2,694	545
24	Net income		1,037,881	544,743	8,782	67,152	1,395	251,624	798	149,005	3,220	9,284	1,878
25													
26	Return on Rate Base		7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%
27													
28	Revenue Increase Required		999,902	877,939	20,841	18,709	4,242	(69,458)	2,154	182,036	(7,602)	(31,926)	2,965
29	Revenue Increase %		22.38%	39.47%	84.21%	4.83%	197.28%	(5.63%)	143.02%	36.58%	(35.83%)	(45.40%)	45.51%





Total  
Class Allocations- Total  
Tot  
E-1A

Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Class Allocations- Total

Line	Account	No.	Balance	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX
58	<b>I. OPERATING AND MAINTENANCE EXPENSES</b>												
59	<b>B. TRANSMISSION EXPENSE</b>												
60	Transmission Expense		0	0	0	0	0	0	0	0	0	0	0
61	Total TRANSMISSION Expe:		0	0	0	0	0	0	0	0	0	0	0
62													
63	<b>C. DISTRIBUTION EXPENSE</b>												
64	Ops Supv & Engineering	580	843	439	7	53	1	206	1	120	3	9	3
65	Station Expenses	582	5,150	2,334	49	227	8	1,374	4	1,105	12	34	3
66	OH Line Expenses	583	32,002	15,674	301	1,655	47	8,173	26	5,837	70	200	18
67	Street Lighting Expenses	585	2,722	0	0	0	0	0	0	0	676	2,046	0
68	Meter Expenses	586	20,397	11,418	100	1,862	5	5,104	15	1,420	0	0	473
69	Customer Instial. expense	587	7,888	6,332	56	1,032	3	441	1	15	3	0	5
70	Misc. Distribution Expenses	588	121,335	61,243	1,181	6,447	185	32,097	102	18,958	276	787	60
71	Rents	589	29,046	15,753	262	1,890	37	6,546	21	4,305	54	151	28
72	Maint Supv & Engineering	590	22,726	11,031	212	1,167	34	5,889	19	4,017	88	257	13
73	Maint of Station Equip	592	8,064	3,655	76	355	12	2,151	7	1,730	19	54	5
74	Maint of OH Lines	593	633,116	310,097	5,962	32,749	932	161,686	514	115,469	1,388	3,960	359
75	Maint of UG Lines	594	41,258	20,261	387	2,152	60	10,470	33	7,525	90	256	24
76	Maint of Line Transformers	595	18,041	8,944	78	1,458	42	7,179	24	0	83	228	7
77	Maint of Lighting	596	118	0	0	0	0	0	0	0	29	89	0
78	Maint of Misc. Plant	599	32,329	17,399	290	2,082	41	7,321	23	4,797	86	247	43
79	Total DISTR. O&M EXP.	500-599	975,034	484,580	8,961	53,128	1,406	248,638	788	165,298	2,876	8,317	1,042
80	Distribution Expense		975,034	484,580	8,961	53,128	1,406	248,638	788	165,298	2,876	8,317	1,042
81	<b>D. CUSTOMER ACCOUNTS AND SERVICE</b>												
82	Supervision	901	0	0	0	0	0	0	0	0	0	0	0
83	Meter Reading Exp	902	15,704	8,791	77	1,433	3	3,930	11	1,094	0	0	365
84	Customer Records & Coll	903	490,710	393,946	3,456	64,225	156	27,443	78	937	156	0	312
85	Uncollectible Accounts	904	25,750	24,723	325	59	0	280	0	349	3	10	1
86	Subtotal - Cust. Accts. Exp.	901-905	532,164	427,460	3,857	65,717	160	31,653	90	2,380	159	10	678
87													
88	Customer Assistance	908	10,310	8,277	73	1,349	3	577	2	20	3	0	7
89	OPEN	916	0	0	0	0	0	0	0	0	0	0	0
90	Subtotal - Cust. Svce. & Info.	908-916	10,310	8,277	73	1,349	3	577	2	20	3	0	7
91	Total CUST. ACCT. & SERV	901-919	542,474	435,737	3,930	67,066	163	32,230	91	2,400	163	10	685
92													









FuncClass  
Reven  
Tot  
E-1B

Wellsboro Electric Company  
COS Study  
FPFYT 2017

TOTAL REVENUE REQUIREMENT  
Revenue Requirement By Functional Classification

Account Description	Total Dollars	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX
<b>1 Demand-related</b>											
2 Primary	3,140,764	1,423,605	29,583	138,189	4,830	837,968	2,666	673,888	7,239	20,885	1,911
3 Secondary	342,711	138,851	2,885	13,478	1,032	178,601	581	2	1,874	5,405	0
4	<u>3,483,475</u>	<u>1,562,457</u>	<u>32,468</u>	<u>151,668</u>	<u>5,862</u>	<u>1,016,569</u>	<u>3,248</u>	<u>673,890</u>	<u>9,113</u>	<u>26,290</u>	<u>1,911</u>
5 NCP-Primary	21,671	9,823	204	953	33	5,782	18	4,650	50	144	13
6 Per kW / month-Demand	\$13.40	\$13.26	\$13.26	\$13.26	\$14.66	\$14.65	\$14.71	\$12.08	\$15.20	\$15.20	\$12.08
7											
8 kWh-Meter	106,065,175	43,745,001	634,920	4,900,788	40,000	28,516,938	30,000	27,228,400	223,000	631,128	115,000
9 Per kWh-Meter	\$0.03284	\$0.03572	\$0.05114	\$0.03095	\$0.14654	\$0.03565	\$0.10826	\$0.02475	\$0.04086	\$0.04166	\$0.01661
10											
<b>11 Customer-related</b>											
12 Secondary	653,007	507,746	4,454	82,826	201	39,050	111	497	4,264	12,475	1,383
13 Billing	1,430,863	1,096,592	9,720	175,073	428	124,261	355	17,854	370	(12)	6,222
14	<u>2,083,870</u>	<u>1,604,338</u>	<u>14,173</u>	<u>257,899</u>	<u>629</u>	<u>163,311</u>	<u>466</u>	<u>18,351</u>	<u>4,634</u>	<u>12,463</u>	<u>7,605</u>
15 Number of Bills	75,404	60,535	531	9,869	24	4,217	12	144	24	0	48
16 Per bill	\$27.64	\$26.50	\$26.69	\$26.13	\$26.22	\$38.73	\$38.87	\$127.44	\$193.07	-	\$158.43
17											
18 Total revenue requirement	<u>5,567,345</u>	<u>3,166,795</u>	<u>46,642</u>	<u>409,566</u>	<u>6,491</u>	<u>1,179,880</u>	<u>3,714</u>	<u>692,241</u>	<u>13,747</u>	<u>38,753</u>	<u>9,515</u>
19											
<b>20 Demand-related</b>											
21 Primary	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08	\$12.08
22 Secondary	\$1.32	\$1.18	\$1.18	\$1.18	\$2.58	\$2.57	\$2.63	\$0.00	\$3.13	\$3.13	\$0.00
23	<u>\$13.40</u>	<u>\$13.26</u>	<u>\$13.26</u>	<u>\$13.26</u>	<u>\$14.66</u>	<u>\$14.65</u>	<u>\$14.71</u>	<u>\$12.08</u>	<u>\$15.20</u>	<u>\$15.20</u>	<u>\$12.08</u>



Customer  
Custor  
Tot  
E-1C

**Wellsboro Electric Company**  
**COS Study**  
**FPFTY 2017**  
**TOTAL REVENUE REQUIREMENT**  
**Customer-Related Costs In Revenue Requirement**

Account Description	Total Dollars	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX
1 Service cost, net	871,702	682,878	5,990	111,542	271	63,789	182	2,178	0	0	4,872
2 Meter cost, net	494,665	276,915	2,429	45,145	110	123,783	352	34,449	0	0	11,483
3 EDI Software, net	203,310	163,219	1,432	26,610	65	11,370	32	388	65	0	129
4 ADIT- Service / Meter	(3,309)	(2,371)	(20)	(397)	(1)	(408)	(1)	(75)	0	0	(36)
5 Service / Meter-Related Rate Base	1,566,368	1,120,640	9,831	182,900	445	198,534	565	36,940	65	0	16,448
6 Rate of return on rate base	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%
7 Return on Service / Meter rate base	115,661	82,748	726	13,505	33	14,660	42	2,728	5	0	1,215
8 Income tax gross-up	33,566	24,014	211	3,919	10	4,254	12	792	1	0	352
9 GRT gross-up	9,254	6,623	58	1,083	3	1,169	3	217	0	0	98
10 Customer-charge return component	158,480	113,385	994	18,508	45	20,083	57	3,736	7	0	1,665
11											
12 Meter expenses	20,397	11,418	100	1,862	5	5,104	15	1,420	0	0	473
13 Meter reading expenses	15,704	8,791	77	1,433	3	3,930	11	1,094	0	0	365
14 Service / Meter / EDI depr / amort exp	176,988	124,978	1,096	20,393	50	23,702	67	4,761	13	0	1,928
15 Customer records and collection	490,710	393,946	3,456	64,225	156	27,443	78	937	156	0	312
16 Customer assistance	10,310	8,277	73	1,349	3	577	2	20	3	0	7
17 Employee benefits, taxes	0	0	0	0	0	0	0	0	0	0	0
18 Customer-charge expense component	714,109	547,411	4,802	89,262	217	60,756	173	8,232	172	0	3,085
19											
20 Customer-charge expense component	872,589	660,796	5,796	107,770	262	80,839	230	11,968	179	0	4,750
21											
22 Number of Bills	75,404	60,535	531	9,869	24	4,217	12	144	24	0	48
23											
24 <b>Customer-charge Components</b>	<b>\$11.57</b>	<b>\$10.92</b>	<b>\$10.92</b>	<b>\$10.92</b>	<b>\$10.92</b>	<b>\$19.17</b>	<b>\$19.17</b>	<b>\$83.11</b>	<b>\$7.46</b>	<b>-</b>	<b>\$98.95</b>
25											
26 Distribution Plant in Service- Cost	22,186,337	11,369,932	187,764	1,370,523	31,082	5,600,407	17,763	3,321,979	63,629	183,250	40,008
27 Services / Meters % of Distribution Plant	6.2%	16.0%	8.5%	21.6%	2.3%	6.0%	5.4%	1.9%	0.0%	0.0%	72.5%
28 ADIT	(28,155)	(14,842)	(237)	(1,833)	(38)	(6,814)	(22)	(4,016)	(79)	(225)	(50)
29											
30 Income tax gross-up	29.02%	29.02%	29.02%	29.02%	29.02%	29.02%	29.02%	29.02%	29.02%	29.02%	29.02%
31 GRT gross-up	6.19%	6.20%	6.18%	6.22%	6.17%	6.18%	6.17%	6.15%	6.21%	6.21%	6.25%





Functions  
Functionalization  
Fnc  
E-2

Wellsboro Electric Company  
COS Study  
PPFTY 2017  
Functionalization

Line	Account	No.	Balance	Allocator	Supply	Trans- mission	SubTrans- mission	Primary	Secondary	Billing	Reg- ulatory	Com- petitive	Labor Cost	Labor %	
58	<b>I. OPERATING AND MAINTENANCE EXPENSES</b>														
59	<b>B. TRANSMISSION EXPENSE</b>														
60	Transmission Expense		0	Tran	0	0	0	0	0	0	0	0	0	0	
61	Total TRANSMISSION Expense		0		0	0	0	0	0	0	0	0	0	0	
62															
63	<b>C. DISTRIBUTION EXPENSE</b>														
64	Ops Supv & Engineering	580	843	D-Labor-Op	0	0	0	524	171	148	0	0	818	97.1%	
65	Station Expenses	582	5,150	Prim	0	0	0	5,150	0	0	0	0	5,000	97.1%	
66	OH Line Expenses	583	32,002	OH_Cond	0	0	0	27,202	4,800	0	0	0	31,072	97.1%	
67	Street Lighting Expenses	585	2,722	Sec	0	0	0	0	2,722	0	0	0	2,643	97.1%	
68	Meter Expenses	586	20,397	Bill	0	0	0	0	0	20,397	0	0	18,803	92.2%	
69	Customer Install. expense	587	7,888	Bill	0	0	0	0	0	7,888	0	0	7,658	97.1%	
70	Misc. Distribution Expenses	588	121,335	OH_UG	0	0	0	88,355	32,980	0	0	0	85,401	70.4%	
71	Rents	589	29,046	DistPt	0	0	0	19,885	7,777	1,384	0	0	0	0.0%	
72	Maint Supv & Engineering	590	22,726	D-Labor-Mnt	0	0	0	18,710	3,978	38	0	0	22,037	97.0%	
73	Maint of Station Equip	592	8,064	Prim	0	0	0	8,064	0	0	0	0	7,829	97.1%	
74	Maint of OH Lines	593	633,116	OH_Cond	0	0	0	538,148	94,967	0	0	0	219,077	34.6%	
75	Maint of UG Lines	594	41,258	UG_Cond	0	0	0	35,069	6,189	0	0	0	10,056	24.4%	
76	Maint of Line Transformers	595	18,041	Trans	0	0	0	0	18,041	0	0	0	7,516	41.7%	
77	Maint of Lighting	596	118	Sec	0	0	0	0	118	0	0	0	115	97.1%	
78	Maint of Misc. Plant	599	32,329	DistPt	0	0	0	22,133	8,656	1,540	0	0	8,787	27.2%	
79	Total DISTR. O&M EXP	500-599	975,034		0	0	0	763,241	180,400	31,394	0	0	426,810		
80	Distribution Expense		975,034		0	0	0	763,241	180,400	31,394	0	0	0		
81	<b>D. CUSTOMER ACCOUNTS AND SERVICE</b>														
82	Supervision	901	0	None	0	0	0	0	0	0	0	0	0	0.0%	
83	Meter Reading Exp	902	15,704	Bill	0	0	0	0	0	15,704	0	0	15,247	97.1%	
84	Customer Records & Coll	903	490,710	Bill	0	0	0	0	0	490,710	0	0	337,317	68.7%	
85	Uncollectible Accounts	904	25,750	Bill	0	0	0	0	0	25,750	0	0	0	0.0%	
86	Subtotal - Cust. Accts. Exp.	901-905	532,164		0	0	0	0	0	532,164	0	0	352,564		
87															
88	Customer Assistance	908	10,310	Bill	0	0	0	0	0	10,310	0	0	2,010	19.5%	
89	OPEN	916	0	None	0	0	0	0	0	0	0	0	0	0.0%	
90	Subtotal - Cust. Svec. & Info.	908-916	10,310		0	0	0	0	0	10,310	0	0	2,010		
91	Total CUST. ACCT. & SERV.	901-919	542,474		0	0	0	0	0	542,474	0	0	354,574		
92														781,384	









Classify  
Classification  
Cls  
E-3

Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Classification

Line	Account	No.	Secondary	Allocator	Demand	Customer
1	<b>I. ELECTRIC PLANT IN SERVICE</b>					
2	INTANGIBLE PLANT					
3	EDI Software	303	0	None	0	0
4	Total INTANGIBLE Plant		0		0	0
5						
6	<b>C. TRANSMISSION PLANT</b>					
7	Transmission Plant	361	0	None	0	0
8	Total TRANSMISSION Plant	350-359	0		0	0
9						
10	<b>D. DISTRIBUTION PLANT</b>					
11	Land & Land Rights	360	0	None	0	0
12	Structures and improvements	361	0	None	0	0
13	Station Equipment	362	0	None	0	0
14	Poles, Tower & Fixtures	364	1,352,589	PTF-Sec-Z	486,314	866,275
15	OH Conductors & Devices	365	482,664	OH-Sec-Z	228,862	253,803
16	UG Conduits and Conductors	366	128,738	UG-Sec-Z	56,177	72,561
17	Line Transformers	368	2,190,145	Trans-Min	840,355	1,349,790
18	Services	369	1,722,149	Customer	0	1,722,149
19	Meters	370	0	None	0	0
20	Install. Customers' premises	371	0	None	0	0
21	Street Lighting & Signal	373	63,928	Customer	0	63,928
22	Total DISTRIBUTION Plant	360-373	5,940,213		1,611,707	4,328,506
23						
24	<b>E. GENERAL PLANT</b>					
25	General Plant	389	294,922	Sec-Lab	151,854	143,068
26	Communication Equip	398	19,608	Sec-Lab	10,096	9,512
27	Total GENERAL Plant	389-399	314,530		161,950	152,580
28						
29	<b>TOTAL UTILITY PLANT</b>		<u>6,254,742</u>		<u>1,773,657</u>	<u>4,481,086</u>
30						



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E-3

**Wellsboro Electric Company**  
**COS Study**  
**FPFTY 2017**  
**Classification**

Line	Account	No.	Secondary	Allocator	Demand	Customer
31	<b>II. DEPRECIATION RESEI</b>					
32	Intangible Plant		0	None	0	0
33	Transmission Plant		0	None	0	0
34	Structures and improvements		0	None	0	0
35	Station Equipment		0	None	0	0
36	Poles, Towers and Fixtures		401,717	PTF-Sec-Z	144,434	257,282
37	OH Conductors and Devices		180,569	OH-Sec-Z	85,619	94,950
38	UG Conduits and Conductors		59,780	UG-Sec-Z	26,086	33,694
39	Line Transformers		1,094,042	Trans-Min	419,782	674,260
40	Services		850,447	Customer	0	850,447
41	Meters		0	None	0	0
42	Install. Customers' premises		0	None	0	0
43	Street Lighting & Signal		7,656	Customer	0	7,656
44	General Plant		214,600	Sec-GenPt	110,496	104,103
45	Total DEPRECIATION RESEI	108	<u>2,808,810</u>		<u>786,418</u>	<u>2,022,392</u>
46						
47	<b>III. OTHER RATE BASE II</b>					
48	Cash Working Capital	131	44,261	Sec-OpExp	20,342	23,919
49	CWIP	131	14,825	Sec-Pt	4,204	10,621
50	Materials & Supplies	255	29,234	Sec-OpExp	13,435	15,798
51	Customer Deposits		0	None	0	0
52	ADIT	154	(6,960)	Sec-Pt	(1,974)	(4,986)
53	Accrued Pension / OPEB	182	<u>(29,110)</u>	Sec-Lab	<u>(14,989)</u>	<u>(14,121)</u>
54	Total OTHER RATE BASE	131-283	<u>52,250</u>		<u>21,019</u>	<u>31,231</u>
55						
56	<b>TOTAL RATE BASE</b>		<u><u>3,498,182</u></u>		<u><u>1,008,257</u></u>	<u><u>2,489,925</u></u>
57						

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E-3

Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Classification

Line	Account	No.	Secondary	Allocator	Demand	Customer
58	<b>I. OPERATING AND MAINT</b>					
59	<b>B. TRANSMISSION EXPENSES</b>					
60	Transmission Expense		0	None	0	0
61	Total TRANSMISSION Expense		0		0	0
62						
63	<b>C. DISTRIBUTION EXPENSES</b>					
64	Ops Supv & Engineering	580	171	Sec-Lab	88	83
65	Station Expenses	582	0	None	0	0
66	OH Line Expenses	583	4,800	OH-Sec-Z	2,276	2,524
67	Street Lighting Expenses	585	2,722	Customer	0	2,722
68	Meter Expenses	586	0	None	0	0
69	Customer Install. expense	587	0	None	0	0
70	Misc. Distribution Expenses	588	32,980	Sec-OH_UG	23,513	9,467
71	Rents	589	7,777	Sec-Pt	2,205	5,572
72	Maint Supv & Engineering	590	3,978	Sec-Lab	2,048	1,930
73	Maint of Station Equip	592	0	None	0	0
74	Maint of OH Lines	593	94,967	OH-Sec-Z	45,030	49,937
75	Maint of UG Lines	594	6,189	UG-Sec-Z	2,701	3,488
76	Maint of Line Transformers	595	18,041	Trans-Min	6,922	11,119
77	Maint of Lighting	596	118	Customer	0	118
78	Maint of Misc. Plant	599	8,656	Sec-Pt	2,455	6,201
79	Total DISTR. O&M EXP.	500-599	180,400		87,238	93,162
80	Distribution Expense		180,400		87,238	93,162
81	<b>D. CUSTOMER ACCOUNTS AND SERVICES</b>					
82	Supervision	901	0	None	0	0
83	Meter Reading Exp	902	0	None	0	0
84	Customer Records & Coll	903	0	None	0	0
85	Uncollectible Accounts	904	0	None	0	0
86	Subtotal - Cust. Accts. Exp.	901-905	0		0	0
87						
88	Customer Assistance	908	0	None	0	0
89	OPEN	916	0	None	0	0
90	Subtotal - Cust. Svce. & Info.	908-916	0		0	0
91	Total CUST. ACCT. & SERV	901-919	0		0	0
92						

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E-3

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Line	Account	No.	Secondary	Allocator	Demand	Customer
93	<b>E. ADMINISTRATIVE AND GENERAL</b>					
94	Admin. & Gen'l. Salaries	920	58,091	Sec-Lab	29,911	28,180
95	Office Supplies & Expenses	921	11,070	Sec-Lab	5,700	5,370
96	Outside Services Employed	923	15,564	Sec-LabPt	6,214	9,350
97	Property Insurance	924	15,787	Sec-Pt	4,477	11,310
98	Employee Pensions & Benefit	926	0	Sec-Lab	0	0
99	Regulatory Comm. Expense	928	0	Sec-Pt	0	0
100	Misc. General Expense	930	19,261	Sec-LabPt	7,690	11,572
101	Rents	931	260	Sec-Lab	134	126
102	Maint General Property	932	18,682	Sec-Pt	5,298	13,384
103	Total A&G Expense	920-932	138,715		59,422	79,293
104						
105	TOTAL OPERATING EXPENSE		319,115		146,660	172,455
106						
107	<b>II. DEPRECIATION EXPENSE</b>					
108	Intangible Plant		0	None	0	0
109	Station Equipment		0	None	0	0
110	Poles, Towers and Fixtures		45,065	PIF-Sec-Z	16,203	28,862
111	OH Conductors and Devices		18,519	OH-Sec-Z	8,781	9,738
112	UG Conduits and Conductors		5,420	UG-Sec-Z	2,365	3,055
113	Line Transformers		76,896	Trans-Min	29,505	47,391
114	Services		71,670	Customer	0	71,670
115	Meters		0	None	0	0
116	Install. Customers' premises		0	None	0	0
117	Street Lighting & Signal		1,523	Customer	0	1,523
118	General Plant		18,988	Sec-GenPt	9,777	9,211
119	Total DEPRECIATION Exp.	403	238,082		66,631	171,451
120						
121	<b>III. TAXES and OTHER</b>					
122	<b>A. GENERAL TAXES</b>					
123	Payroll related	408	0	None	0	0
124	PURTA, Real estate	408.16	11,619	Sec-Pt	3,295	8,324
125	Capital stock		0	Sec-RB	0	0
126	Other	408	1,705	Sec-Pt	484	1,222
127	Subtotal - General Taxes		13,324		3,778	9,546
128						
129	<b>B. GROSS RECEIPTS TAX</b>					
130	Gross Receipts tax		45,756	Sec-Rev	16,061	29,696
131	Subtotal- Gross Receipts tax		45,756		16,061	29,696
132						

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Cls  
E-3

Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Classification

Line	Account	No.	Secondary	Allocator	Demand	Customer
133	<b>B. FEDERAL / STATE INCOME TA</b>					
134	State Income Tax Expense		(2,026)	Sec-Pt	(575)	(1,452)
135	Federal Income Tax Expense		(17,933)	Sec-Pt	(5,085)	(12,848)
136	Subtotal - Fed / State Inc Tax	409-411	(19,959)		(5,660)	(14,299)
137	Total TAXES	408-411	39,121		14,179	24,942
138						
139	<b>TOTAL EXPENSES</b>		<u>596,318</u>		<u>227,470</u>	<u>368,848</u>
140						
141	<b>IV. OPERATING REVENUES at Pre</b>					
142	Distribution Revenue		775,531	Sec-RetRRPF	272,216	503,315
143	Forfeited Discounts		0	None	0	0
144	Rent For Electric Property		10,412	P1F-Sec-Z	3,744	6,669
145	Other Electric Revenues		(857)	Sec-RetRRPF	(301)	(556)
146	Total REVENUES		785,087		275,659	509,428
147						
148	TOTAL EXPENSES		596,318		227,470	368,848
149	<b>V. NET INCOME at Present Rates</b>		<u>188,768</u>		<u>48,188</u>	<u>140,580</u>
150						
151	<b>SUMMARY REPORT</b>					
152	<b>OPERATING REVENUES</b>					
153	Utility Revenues	440-446	775,531		272,216	503,315
154	Other Operating Revenues	450-456	9,556		3,443	6,113
155	Total Operating Revenues		785,087		275,659	509,428
156						
157	<b>OPERATING EXPENSES</b>					
158	Distribution / Transmission	580-599	180,400		87,238	93,162
159	Customer Acctg & Service	901-919	0		0	0
160	Admin & General	920-932	138,715		59,422	79,293
161	Total Operating Expenses		319,115		146,660	172,455
162						
163	Depreciation Expense	403	238,082		66,631	171,451
164	Taxes Other Than Income	408	59,081		19,839	39,241
165	INCOME BEFORE INCOME		168,809		42,529	126,281
166	Income Taxes	409-411	(19,959)		(5,660)	(14,299)
167	NET INCOME		<u>188,768</u>		<u>48,188</u>	<u>140,580</u>
168						
169	<b>RATE BASE</b>		<u>3,498,182</u>		<u>1,008,257</u>	<u>2,489,925</u>
170	Return on Rate Base					
171						

Classify  
Classification  
Cls  
E-3

**Wellsboro Electric Company  
COS Study  
FPFTY 2017  
Classification**

Line	Account	No.	Secondary	Allocator	Demand	Customer
172	<b>REVENUE REQUIREMENTS</b>					
173	Target Rate of Return		7.3840%		7.3840%	7.3840%
174						
175	Rate Base		3,498,182		1,008,257	2,489,925
176						
177	Operating expenses		319,115		146,660	172,455
178	Uncollectibles expense		0	None	0	0
179	Depreciation expense		238,082		66,631	171,451
180	Regulatory Commission Expenses		33,744	Sec-Pt	9,569	24,175
181	General taxes / Other		13,324		3,778	9,546
182	Subtotal- Operating Costs to recover		604,265		226,638	377,626
183						
184	Target Return on Rate Base- After tax		258,306		74,450	183,856
185						
186	Income taxes to recover	29.02%	74,963		21,606	53,357
187						
188	Subtotal- Rev Req before GRT		937,533		322,694	614,839
189	GRT needed	6.27%	58,185		20,017	38,168
190	<b>TOTAL REVENUE REQUIREMEN</b>		<u>995,718</u>		<u>342,711</u>	<u>653,007</u>
191						
192	Revenue at Present rates					
193	Revenue Excess (Deficiency)					
194						



PrimDem  
Class Allocation- Primary Demand  
CAI  
E-4A

Wellsboro Electric Company  
COS Study  
FPPTY 2017  
Class Allocation- Primary Demand

Line	Account	No.	Balance	Allocator	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX	
31	<b>II. DEPRECIATION RESERVE</b>														
32	Intangible Plant		0	None	0	0	0	0	0	0	0	0	0	0	
33	Transmission Plant		0	None	0	0	0	0	0	0	0	0	0	0	
34	Structures and improvements		98,088	NCP-Prim	44,460	924	4,316	151	26,170	83	21,046	226	652	60	
35	Station Equipment		2,792,707	NCP-Prim	1,265,836	26,305	122,869	4,295	745,103	2,371	599,224	6,437	18,569	1,699	
36	Poles, Towers and Fixtures		2,276,394	NCP-Prim	1,031,809	21,442	100,153	3,501	607,349	1,933	488,440	5,247	15,136	1,385	
37	OH Conductors and Devices		1,023,223	NCP-Prim	463,791	9,638	45,018	1,573	272,999	869	219,550	2,358	6,804	622	
38	UG Conduits and Conductors		338,755	NCP-Prim	153,546	3,191	14,904	521	90,381	288	72,686	781	2,252	206	
39	Line Transformers		0	None	0	0	0	0	0	0	0	0	0	0	
40	Services		0	None	0	0	0	0	0	0	0	0	0	0	
41	Meters		0	None	0	0	0	0	0	0	0	0	0	0	
42	Install. Customers' premises		0	None	0	0	0	0	0	0	0	0	0	0	
43	Street Lighting & Signal		0	None	0	0	0	0	0	0	0	0	0	0	
44	General Plant		872,776	PriD-Lab	395,599	8,221	38,399	1,342	232,859	741	187,269	2,012	5,803	531	
45	Total DEPRECIATION RESE	108	7,401,943		3,355,040	69,721	325,658	11,383	1,974,862	6,284	1,588,216	17,060	49,217	4,502	
46															
47	<b>III. OTHER RATE BASE ITEMS</b>														
48	Cash Working Capital	131	172,334	PriD-OpExp	78,113	1,623	7,582	265	45,979	146	36,977	397	1,146	105	
49	CWIP	131	39,034	PriD-Pt	17,693	368	1,717	60	10,414	33	8,375	90	260	24	
50	Materials & Supplies	255	113,824	PriD-Pt	51,592	1,072	5,008	175	30,369	97	24,423	262	757	69	
51	Customer Deposits		0	None	0	0	0	0	0	0	0	0	0	0	
52	ADIT	154	(18,326)	PriD-Pt	(8,306)	(173)	(806)	(28)	(4,889)	(16)	(3,932)	(42)	(122)	(11)	
53	Accrued Pension / OPEB	182	(118,390)	PriD-Lab	(53,662)	(1,115)	(5,209)	(182)	(31,587)	(101)	(25,403)	(273)	(787)	(72)	
54	Total OTHER RATE BASE	131-283	188,477		85,430	1,775	8,292	290	50,286	160	40,441	434	1,253	115	
55															
56	<b>TOTAL RATE BASE</b>		<u>9,254,942</u>		<u>4,194,939</u>	<u>87,175</u>	<u>407,183</u>	<u>14,232</u>	<u>2,469,248</u>	<u>7,858</u>	<u>1,985,809</u>	<u>21,331</u>	<u>61,538</u>	<u>5,630</u>	
57															











SecnDem  
Class Allocation- Secondary Demand  
CAI  
E-4B

Wellsboro Electric Company  
COS Study  
FPPTY 2017  
Class Allocation- Secondary Demand

Line	Account	No.	Balance	Allocator	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX
1	<b>I. ELECTRIC PLANT IN SERVICE</b>													
2	INTANGIBLE PLANT													
3	EDI Software	303	0	SecD-Lab	0	0	0	0	0	0	0	0	0	0
4	Total INTANGIBLE Plant		0		0	0	0	0	0	0	0	0	0	0
5														
6	<b>C. TRANSMISSION PLANT</b>													
7	Transmission Plant	361	0	None	0	0	0	0	0	0	0	0	0	0
8	Total TRANSMISSION Plant	350-359	0		0	0	0	0	0	0	0	0	0	0
9														
10	<b>D. DISTRIBUTION PLANT</b>													
11	Land & Land Rights	360	0	None	0	0	0	0	0	0	0	0	0	0
12	Structures and improvements	361	0	None	0	0	0	0	0	0	0	0	0	0
13	Station Equipment	362	0	None	0	0	0	0	0	0	0	0	0	0
14	Poles, Tower & Fixtures	364	486,314	NCP-Sec	280,864	5,837	27,262	953	165,324	526	0	1,428	4,120	0
15	O/H Conductors & Devices	365	228,862	NCP-Sec	132,176	2,747	12,830	448	77,802	248	0	672	1,939	0
16	UG Conduits and Conductors	366	56,177	NCP-Sec	32,444	674	3,149	110	19,097	61	0	165	476	0
17	Line Transformers	368	840,355	NCP-Ltr	0	0	0	4,610	795,841	2,638	0	9,592	27,674	0
18	Services	369	0	None	0	0	0	0	0	0	0	0	0	0
19	Meters	370	0	None	0	0	0	0	0	0	0	0	0	0
20	Install. Customers' premises	371	0	None	0	0	0	0	0	0	0	0	0	0
21	Street Lighting & Signal	373	0	None	0	0	0	0	0	0	0	0	0	0
22	Total DISTRIBUTION Plant	360-373	1,611,707		445,484	9,258	43,241	6,121	1,058,064	3,473	0	11,858	34,209	0
23														
24	<b>E. GENERAL PLANT</b>													
25	General Plant	389	151,854	SecD-Lab	81,140	1,686	7,876	338	58,519	188	0	542	1,564	0
26	Communication Equip	398	10,096	SecD-Lab	5,395	112	524	22	3,891	12	0	36	104	0
27	Total GENERAL Plant	389-399	161,950		86,535	1,798	8,400	360	62,410	200	0	578	1,668	0
28														
29	<b>TOTAL UTILITY PLANT</b>		<u>1,773,657</u>		<u>532,019</u>	<u>11,056</u>	<u>51,641</u>	<u>6,481</u>	<u>1,120,474</u>	<u>3,673</u>	<u>0</u>	<u>12,436</u>	<u>35,877</u>	<u>0</u>
30														



















SecnCus  
Class Allocation- Secondary Customer  
CA1  
E-4C

Wellsboro Electric Company  
COS Study  
FPPTY 2017  
Class Allocation- Secondary Customer

Line	Account	No.	Balance	Allocator	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX	
58	<b>I. OPERATING AND MAINTENANCE EXPENSES</b>														
59	<b>B. TRANSMISSION EXPENSE</b>														
60	Transmission Expense		0	None	0	0	0	0	0	0	0	0	0	0	
61	Total TRANSMISSION Expense		0		0	0	0	0	0	0	0	0	0	0	
62															
63	<b>C. DISTRIBUTION EXPENSE</b>														
64	Ops Supv & Engineering	580	83	SecC-Lab	61	1	10	0	4	0	0	2	5	0	
65	Station Expenses	582	0	None	0	0	0	0	0	0	0	0	0	0	
66	OH Line Expenses	583	2,524	Avg-Cust-Sec	2,030	18	331	1	141	0	0	1	0	2	
67	Street Lighting Expenses	585	2,722	StLgt-Lamps	0	0	0	0	0	0	0	676	2,046	0	
68	Meter Expenses	586	0	None	0	0	0	0	0	0	0	0	0	0	
69	Customer Install. expense	587	0	None	0	0	0	0	0	0	0	0	0	0	
70	Misc. Distribution Expenses	588	9,467	Avg-Cust-Sec	7,615	67	1,241	3	530	2	0	3	0	6	
71	Rents	589	5,572	Avg-Cust-Sec	4,481	39	731	2	312	1	0	2	0	4	
72	Maint Supv & Engineering	590	1,930	SecC-Lab	1,432	13	234	1	100	0	0	37	111	1	
73	Maint of Station Equip	592	0	None	0	0	0	0	0	0	0	0	0	0	
74	Maint of OH Lines	593	49,937	Avg-Cust-Sec	40,167	352	6,548	16	2,798	8	0	16	0	32	
75	Maint of UG Lines	594	3,488	Avg-Cust-Sec	2,806	25	457	1	195	1	0	1	0	2	
76	Maint of Line Transformers	595	11,119	Avg-Cust-Sec	8,944	78	1,458	4	623	2	0	4	0	7	
77	Maint of Lighting	596	118	StLgt-Lamps	0	0	0	0	0	0	0	29	89	0	
78	Maint of Misc. Plant	599	6,201	SecC-Pt	4,854	43	792	2	383	1	6	27	79	16	
79	Total DISTR. O&M EXP.	500-599	93,162		72,390	635	11,802	29	5,088	14	6	798	2,330	69	
80	Distribution Expense		93,162		72,390	635	11,802	29	5,088	14	6	798	2,330	69	
81	<b>D. CUSTOMER ACCOUNTS AND SERVICE</b>														
82	Supervision	901	0	None	0	0	0	0	0	0	0	0	0	0	
83	Meter Reading Exp	902	0	None	0	0	0	0	0	0	0	0	0	0	
84	Customer Records & Coll	903	0	None	0	0	0	0	0	0	0	0	0	0	
85	Uncollectible Accounts	904	0	None	0	0	0	0	0	0	0	0	0	0	
86	Subtotal - Cust. Accts. Exp.	901-905	0		0	0	0	0	0	0	0	0	0	0	
87															
88	Customer Assistance	908	0	None	0	0	0	0	0	0	0	0	0	0	
89	OPEN	916	0	None	0	0	0	0	0	0	0	0	0	0	
90	Subtotal - Cust. Svce. & Info.	908-916	0		0	0	0	0	0	0	0	0	0	0	
91	Total CUST. ACCT. & SERV	901-919	0		0	0	0	0	0	0	0	0	0	0	
92															















BillCus  
Class Allocation- Billing Customer  
CA1  
E-4D

Wellsboro Electric Company  
COS Study  
FPPTY 2017  
Class Allocation- Billing Customer

Line	Account	No.	Balance	Allucator	RS	RSAE	NRS	NRH	CS	CSH	IS	MSL	POL	EX
58	<b>I. OPERATING AND MAINTENANCE EXPENSES</b>													
59	<b>B. TRANSMISSION EXPENSE</b>													
60	Transmission Expense		0	None	0	0	0	0	0	0	0	0	0	0
61	Total TRANSMISSION Expense		0		0	0	0	0	0	0	0	0	0	0
62														
63	<b>C. DISTRIBUTION EXPENSE</b>													
64	Ops Supv & Engineering	580	148	Bill-DxLab	93	1	15	0	29	0	7	0	0	2
65	Station Expenses	582	0	None	0	0	0	0	0	0	0	0	0	0
66	OH Line Expenses	583	0	None	0	0	0	0	0	0	0	0	0	0
67	Street Lighting Expenses	585	0	StLgt-Lamps	0	0	0	0	0	0	0	0	0	0
68	Meter Expenses	586	20,397	Meter_Cost	11,418	100	1,862	5	5,104	15	1,420	0	0	473
69	Customer Install. expense	587	7,888	Avg-Cust	6,332	56	1,032	3	441	1	15	3	0	5
70	Misc. Distribution Expenses	588	0	Avg-Cust	0	0	0	0	0	0	0	0	0	0
71	Rents	589	1,384	Bill-Pt	984	9	160	0	179	1	38	0	0	13
72	Maint Supv & Engineering	590	38	Bill-DxLab	24	0	4	0	7	0	2	0	0	1
73	Maint of Station Equip	592	0	None	0	0	0	0	0	0	0	0	0	0
74	Maint of OH Lines	593	0	None	0	0	0	0	0	0	0	0	0	0
75	Maint of UG Lines	594	0	None	0	0	0	0	0	0	0	0	0	0
76	Maint of Line Transformers	595	0	None	0	0	0	0	0	0	0	0	0	0
77	Maint of Lighting	596	0	StLgt-Lamps	0	0	0	0	0	0	0	0	0	0
78	Maint of Misc. Plant	599	1,540	Bill-Pt	1,095	10	179	0	199	1	42	0	0	14
79	Total DISTR. O&M EXP.	500-599	31,394		19,947	175	3,252	8	5,959	17	1,525	3	0	508
80	Distribution Expense		31,394		19,947	175	3,252	8	5,959	17	1,525	3	0	508
81	<b>D. CUSTOMER ACCOUNTS AND SERVICE</b>													
82	Supervision	901	0	Avg-Cust	0	0	0	0	0	0	0	0	0	0
83	Meter Reading Exp	902	15,704	Meter_Cost	8,791	77	1,433	3	3,930	11	1,094	0	0	365
84	Customer Records & Coll	903	490,710	Avg-Cust	393,946	3,456	64,225	156	27,443	78	937	156	0	312
85	Uncollectible Accounts	904	25,750	Write-Offs	24,723	325	59	0	280	0	349	3	10	1
86	Subtotal - Cust. Accts. Exp	901-905	532,164		427,460	3,857	65,717	160	31,653	90	2,380	159	10	678
87														
88	Customer Assistance	908	10,310	Avg-Cust	8,277	73	1,349	3	577	2	20	3	0	7
89	OPEN	916	0	None	0	0	0	0	0	0	0	0	0	0
90	Subtotal - Cust. Svce. & Info.	908-916	10,310		8,277	73	1,349	3	577	2	20	3	0	7
91	Total CUST. ACCT. & SERV	901-919	542,474		435,737	3,930	67,066	163	32,230	91	2,400	163	10	685
92														











Assigned  
Allocator Assignments  
Fac  
E-5A

**Wellsboro Electric Company**  
**COS Study**  
**FPPTY 2017**  
**Allocator Assignments**

Line	Account	No.	Balance	Function	Classify	Class Allocation			
				Allocator	Secondary	PrimDem	SecnDem	SecnCus	BillCus
31	<b>II. DEPRECIATION RESERVE</b>								
32	Intangible Plant		81,278	IntanPt	-	-	-	-	Avg-Cust
33	Transmission Plant		0	-	-	-	-	-	-
34	Structures and improvements		98,088	Prim	-	NCP-Prim	-	-	-
35	Station Equipment		2,792,707	Prim	-	NCP-Prim	-	-	-
36	Poles, Towers and Fixtures		2,678,111	OH_Cond	PTF-Sec-Z	NCP-Prim	NCP-Sec	Avg-Cust-Sec	-
37	OH Conductors and Devices		1,203,792	OH_Cond	OH-Sec-Z	NCP-Prim	NCP-Sec	Avg-Cust-Sec	-
38	UG Conduits and Conductors		398,535	UG_Cond	UG-Sec-Z	NCP-Prim	NCP-Sec	Avg-Cust-Sec	-
39	Line Transformers		1,094,042	Trans	Trans-Min	-	NCP-L.tr	Avg-Cust-Sec	-
40	Services		850,447	Sec	Customer	-	-	Services_Cost	-
41	Meters		340,202	Bill	-	-	-	-	Meter_Cost
42	Install. Customers' premiscs		138,943	Bill	-	-	-	-	Avg-Cust
43	Street Lighting & Signal		7,656	Sec	Customer	-	-	StLgt-Lamps	-
44	General Plant		2,125,472	GenPtxL	Sec-GenPt	PriD-Lab	SecD-Lab	SecC-Lab	Bill-Lab
45	Total DEPRECIATION RESE	108	5,650,184						
46									
47	<b>III. OTHER RATE BASE ITEMS</b>								
48	Cash Working Capital	131	371,860	OpExp_Dist	Sec-OpExp	PriD-OpExp	SecD-OpExp	SecC-OpExp	Bill-OpExp
49	CWIP	131	59,971	Plant	Sec-Pt	PriD-Pt	SecD-Pt	SecC-Pt	Bill-Pt
50	Materials & Supplies	255	245,607	OpExp_Dist	Sec-OpExp	PriD-Pt	SecD-Pt	SecC-Pt	Bill-Pt
51	Customer Deposits		(82,025)	Bill	-	-	-	-	CustDeposits
52	ADIT	154	(28,155)	Plant	Sec-Pt	PriD-Pt	SecD-Pt	SecC-Pt	Bill-Pt
53	Accrued Pension / OPEB	182	(288,315)	Labor	Sec-Lab	PriD-Lab	SecD-Lab	SecC-Lab	Bill-Lab
54	Total OTHER RATE BASE	131-283	278,943						
55									
56	<b>TOTAL RATE BASE</b>		<u>20,214,898</u>						
57									











Func|Wellsboro Electric Company  
Func|COS Study  
Fac |FPFTY 2017  
E-5B Functionalization Factors

0	Allocator Name	In Use	Total	Primary	Secondary	Billing	x
1	None		0				x
2		FALSE	0.00%	0.00%	0.00%	0.00%	x
3							x
4	Tran		1				x
5		TRUE	100.00%	0.00%	0.00%	0.00%	x
6							x
7	Prim		1	1			x
8		TRUE	100.00%	100.00%	0.00%	0.00%	x
9							x
10	Sec		1		1		x
11		TRUE	100.00%	0.00%	100.00%	0.00%	x
12							x
13	Bill		1			1	x
14		TRUE	100.00%	0.00%	0.00%	100.00%	x
15							x
16	OHI_Cond		100.00%	85.00%	15.00%	0.00%	x
17		TRUE	100.00%	85.00%	15.00%	0.00%	x
18							x
19	UG_Cond		100.00%	85.00%	15.00%	0.00%	x
20		TRUE	100.00%	85.00%	15.00%	0.00%	x
21							x
22	Trans		100.00%	0.00%	100.00%	0.00%	x
23		TRUE	100.00%	0.00%	100.00%	0.00%	x
24							x
25	UG_Total		858,250	729,513	128,738	-	x
26		TRUE	100.00%	85.00%	15.00%	0.00%	x
27							x
28	OpExp_Dist		2,681,058	1,242,506	319,115	1,119,438	x
29		TRUE	100.00%	46.34%	11.90%	41.75%	x
30							x
31	DistBill_RR-PF		5,200,357	2,877,778	902,510	1,420,069	x
32		TRUE	100.00%	55.34%	17.35%	27.31%	x
33							x
34	GRT_RevxT		4,502,964	2,472,888	775,531	1,254,546	x
35		TRUE	100.00%	54.92%	17.22%	27.86%	x
36							x

Func Wellsboro Electric Company  
Func COS Study  
Fac FPFTY 2017  
E-5B Functionalization Factors

0	Allocator Name	In Use	Total	Primary	Secondary	Billing	x
37	Labor		781,384	320,857	78,893	381,634	x
38		TRUE	100.00%	41.06%	10.10%	48.84%	x
39							x
40	D-Labor-Op		150,575	93,598	30,516	26,461	x
41		TRUE	100.00%	62.16%	20.27%	17.57%	x
42							x
43	D-Labor-Mnt		253,380	208,608	44,354	419	x
44		TRUE	100.00%	82.33%	17.50%	0.17%	x
45							x
46	Labor_Pt		200.00%	106.15%	34.82%	59.03%	x
47		TRUE	100.00%	53.08%	17.41%	29.52%	x
48							x
49	IntanPt		284,588	-	-	284,588	x
50		TRUE	100.00%	0.00%	0.00%	100.00%	x
51							x
52	TranPt		0	-	-	-	x
53		FALSE	0.00%	0.00%	0.00%	0.00%	x
54							x
55	OH_UG		15,283,416	11,129,280	4,154,136	-	x
56		TRUE	100.00%	72.82%	27.18%	0.00%	x
57							x
58	DistPt		22,186,337	15,189,217	5,940,213	1,056,907	x
59		TRUE	100.00%	68.46%	26.77%	4.76%	x
60							x
61	GenPtxL		194,207	79,747	19,608	94,852	x
62		TRUE	100.00%	41.06%	10.10%	48.84%	x
63							x
64	RateBase		14,055,810	9,254,942	3,498,182	1,302,686	x
65		TRUE	100.00%	65.84%	24.89%	9.27%	x
66							x
67	Plant		25,301,551	16,468,408	6,254,742	2,578,400	x
68		TRUE	100.00%	65.09%	24.72%	10.19%	x
69							x

Clas: Wellsboro Electric Company  
 Clas: COS Study  
 Fac: FPFTY 2017  
 E-5C Classification Factors

0	Allocator Name	In Use	Total	Demand	Commodity	Customer
1	None		0			
2		FALSE	0.00%	0.00%	0.00%	0.00%
3						
4	Demand		1	1		
5		TRUE	100.00%	100.00%	0.00%	0.00%
6						
7	Commodity		1		1	
8		TRUE	100.00%	0.00%	100.00%	0.00%
9						
10	Customer		1			1
11		TRUE	100.00%	0.00%	0.00%	100.00%
12						
13	PTF-Sec-Z		100.00%	35.95%	0.00%	64.05%
14		TRUE	100.00%	35.95%	0.00%	64.05%
15						
16	OH-Sec-Z		100.00%	47.42%	0.00%	52.58%
17		TRUE	100.00%	47.42%	0.00%	52.58%
18						
19	UG-Sec-Z		100.00%	43.64%	0.00%	56.36%
20		TRUE	100.00%	43.64%	0.00%	56.36%
21						
22	Trans-Min		100.00%	38.37%	0.00%	61.63%
23		TRUE	100.00%	38.37%	0.00%	61.63%
24						

Clas: **Wellsboro Electric Company**  
 Clas: **COS Study**  
 Fac **FPFTY 2017**  
 E-5C **Classification Factors**

0	Allocator Name	In Use	Total	Demand	Commodity	Customer
25	Sec_RB		3,498,182	1,008,257	-	2,489,925
26		TRUE	100.00%	28.82%	0.00%	71.18%
27						
28	Sec-Pt		6,254,742	1,773,657	-	4,481,086
29		TRUE	100.00%	28.36%	0.00%	71.64%
30						
31	Sec-RB		3,498,182	1,008,257	-	2,489,925
32		TRUE	100.00%	28.82%	0.00%	71.18%
33						
34	Sec-OH_UG		15,610,366	11,129,280	-	4,481,086
35		TRUE	100.00%	71.29%	0.00%	28.71%
36						
37	Sec-GenPt		314,530	161,950	-	152,580
38		TRUE	100.00%	51.49%	0.00%	48.51%
39						
40	Sec-OpExp		319,115	146,660	-	172,455
41		TRUE	100.00%	45.96%	0.00%	54.04%
42						
43	Sec-DiPt		5,940,213	1,611,707	-	4,328,506
44		TRUE	100.00%	27.13%	0.00%	72.87%
45						
46	Sec-Lab		78,893	40,622	-	38,271
47		TRUE	100.00%	51.49%	0.00%	48.51%
48						
49	Sec-Rev		775,531	272,216	-	503,315
50		TRUE	100.00%	35.10%	0.00%	64.90%
51						
52	Sec-LabPt		200.00%	79.85%	0.00%	120.15%
53		TRUE	100.00%	39.92%	0.00%	60.08%
54						
55	Sec-RetRRPF		902,510	316,786	-	585,724
56		TRUE	100.00%	35.10%	0.00%	64.90%
57						











# TAB H

Summary Of Present And Proposed Rates  
Fully Projected Future Test Year 2017

	Present Rates (excl GSSR)	2016 GSSR-1	Present Rates (incl GSSR)	Proposed Rates (excl GSSR)	2016 GSSR-1	Proposed Rates (incl GSSR)	Proposed Increase (excl GSSR)	Proposed Increase (incl GSSR)	Class Revenue Increase (excl GSSR)
<b>Schedule RS- Residential Service</b>									
Customer Charge per Bill	\$9.75		\$9.75	\$15.00		\$15.00	53.8%		28.3%
Energy Charge, per kWh- All	\$0.037351	\$0.073350	\$0.11070	\$0.044500	\$0.073350	\$0.11785	19.1%	6.5%	
<b>Schedule RSAE- Residential Service All Electric</b>									
Customer Charge per Bill	\$9.75		\$9.75	\$15.00		\$15.00	53.8%		49.4%
Energy Charge, per kWh- All	\$0.030824	\$0.073350	\$0.10417	\$0.045680	\$0.073350	\$0.11903	48.2%	14.3%	
<b>Schedule NRS- Non-Residential Service</b>									
Customer Charge per Bill	\$10.00		\$10.00	\$15.00		\$15.00	50.0%		13.1%
Energy Charge, per kWh- All	\$0.058937	\$0.073350	\$0.13229	\$0.059230	\$0.073350	\$0.13258	0.5%	0.2%	
<b>Schedule NRRI- Non-Residential Service Space Heating</b>									
Customer Charge per Bill	\$10.00		\$10.00	\$15.00		\$15.00	50.0%		47.2%
Energy Charge, per kWh- All	\$0.047761	\$0.073350	\$0.12111	\$0.070160	\$0.073350	\$0.14351	46.9%	18.5%	
<b>Schedule CS- Commercial Service (Minimum 7 kW)</b>									
Customer Charge per Bill	\$28.00		\$28.00	\$35.00		\$35.00	25.0%		12.0%
Energy Charge, per kWh- All	\$0.019111	\$0.073350	\$0.09246	\$0.021290	\$0.073350	\$0.09464	11.4%	2.4%	
Demand Charge, per kW-Mth- All	\$5.00		\$5.00	\$6.00		\$6.00	20.0%		
<b>Schedule CSII- Commercial Service Space Heaters (Minimum 7 kW)</b>									
Customer Charge per Bill	\$28.00		\$28.00	\$50.00		\$50.00	78.6%		40.6%
Energy Charge, per kWh- All	\$0.039005	\$0.073350	\$0.11236	\$0.050600	\$0.073350	\$0.12395	29.7%	10.3%	
<b>Schedule IS- General Service (Minimum 2300 volts, 50 kW)</b>									
Customer Charge per Bill	\$42.90		\$42.90	\$80.00		\$80.00	86.5%		31.2%
Energy Charge, per kWh									
First 130 kWh X Billed Demand kW	\$0.013536	\$0.073350	\$0.0869	\$0.020110	\$0.073350	\$0.0935	48.6%	7.6%	
Additional kWh	\$0.000800	\$0.073350	\$0.0742	\$0.001050	\$0.073350	\$0.0744	31.3%	0.3%	
Demand Charge, per kW-Mth- All	\$6.54		\$6.54	\$8.50		\$8.50	30.0%	30.0%	
<b>Schedule EU- Exchange of Service</b>									
Customer Charge per Bill	\$0.00		\$0.00	\$0.00		\$0.00			33.1%
Energy Charge, per kWh- All	\$0.05666	\$0.07335	\$0.13001	\$0.075420	\$0.07335	\$0.14877	33.1%	14.4%	

# TAB I

**WELLSBORO ELECTRIC COMPANY**  
**NOTICE OF PROPOSED RATE INCREASE AND TARIFF CHANGES**

To Our Customers:

Wellsboro Electric Company (the Company) is filing a request with the Pennsylvania Public Utility Commission (PUC) to change your electric rates beginning October 30, 2016. This notice describes the Company's rate request, the PUC's role, and what actions you can take.

In Pennsylvania, electric service is made up of three parts: "Generation" or the production of electricity; "Transmission" or the movement of electricity from where it is generated to the point of distribution; and "Distribution" or the delivery of electricity from transmission lines to your home or business. You can choose the company that generates your electricity. Wellsboro is required to provide each customer in its service territory with distribution service, and to get generation and transmission service for its customers that do not find a competitive supplier. This does not change the quality, reliability or maintenance of your electric service.

**Rate Request**

Wellsboro has requested an overall distribution service rate increase of \$1 million per year. This request is for an increase of about 6.9% of the Company's total annual revenues. The increase will be shown in the distribution portion of customers' bills. This rate increase will ensure that Wellsboro is able to continue to offer safe and reliable electric distribution service, as well as continue to upgrade the electric distribution system with newer and more modern equipment. If this filing is approved, it will also reset the State Tax Adjustment Surcharge to 0.00% and adjust the Generation Supply Service Rate to reflect the roll-in of the taxes. This will have zero net impact on the generation portion of your bill.

If the Company's entire request is approved by the PUC, the total bill for a residential customer using 700 kWh per month would increase by \$10.25 per month, from \$87.24 to \$97.49. This is about a 11.8% increase in your total charges.

The total bill for commercial and industrial customers will vary depending on billing demand and monthly usage. For example, the bill for a commercial customer on Service Schedule No. 4-CS with an average monthly billing demand of 10 kW using 2,555 kWh per month would increase by \$22.57 per month, from \$314.24 to \$336.81, or by 7.2%. The bill for a commercial customer with an average monthly demand of 25 kW, using 10,950 kWh per month would see an increase in their monthly bill of \$55.86, from \$1,165.45 to \$1,221.31, or by 4.8%. Finally, the bill for a typical industrial customer on Service Schedule No. 5-IS using 54,750 kWh per month with an average monthly billing demand of 150 kW would increase by \$468.11 per month, from \$6,143.91 to \$6,614.75, or by 7.7%. The percentage increase for individual customers (including those on other rate schedules) will vary based on usage characteristics.

Bills for other types of customers, including customers purchasing only distribution service from Wellsboro, will also increase. Any residential, commercial or other type of customer can contact Wellsboro for an estimate of the impact of the proposed rate increase on its annual payments to the Company.

**Tariff Changes**

Wellsboro is implementing certain changes to the rate design for some customer classes that will impact customers' total monthly charges. For example, Wellsboro is proposing to make changes to its monthly customer charges to increase the portion of its revenues that are received through the fixed



charge. The specific tariff changes related to these measures are included in the materials available from the Company.

### **More Information Available**

To find out your customer class, how the requested increase may affect your electric bill, or if you are interested in reviewing the material filed with the PUC, contact Wellsboro Electric Company at 570-724-3516. The rates requested by the Company may be found in Tariff Supplement No. 102 to Tariff Electric- Pa. PUC No. 8. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at Wellsboro's office. Wellsboro is open from 7:00 AM to 4:00 PM Monday through Friday. Wellsboro's office is located at 33 Austin Street, Wellsboro. A copy will also be posted on Wellsboro's website at [www.wellsboroelectric.com](http://www.wellsboroelectric.com). Upon request, the company will send you the Statement of Reasons for (tariff number), explaining why the rate increase has been requested.

### **PUC Role**

The state agency that approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The Company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the Company and shown above.

### **Actions You Can Take**

There are three ways to challenge a company's request to change its rate:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before October 30, 2016. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.
2. You can send the PUC a letter telling them why you object to the requested rate increase. Sometimes there is information in these letters that makes the PUC aware of problems with the Company's service or management. This information can be helpful when the PUC investigates the rate request. Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the Company's rate increase request and if there is a large number of customers interested in the case. At these hearings, you have the opportunity to present your views in person to the PUC judge hearing the case and the Company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the Company.

WELLSBORO ELECTRIC COMPANY



# TAB J

## PRESS RELEASE

Today, August 31, 2016, Wellsboro Electric Company filed a distribution rate increase proposal with the Pennsylvania Public Utility Commission. The amount of the proposed increase is \$1 million per year or about 6.9% of the Company's total annual revenues. The proposed effective date for the increase is October 30, 2016.

In Pennsylvania, electric service is made up of three parts: "Generation" or the production of electricity; "Transmission" or the movement of electricity from where it is generated to the point of distribution; and "Distribution" or the delivery of electricity from transmission lines to your home or business. You can choose the company that generates your electricity. Wellsboro is required to provide each customer in its service territory with distribution service, and to get generation and transmission service for its customers that do not find a competitive supplier. This does not change the quality, reliability or maintenance of your electric service.

If the Company's entire request is approved by the PUC, the total bill for a residential customer using 700 kWh per month would increase by \$10.25 per month, from \$87.24 to \$97.49. This is about a 11.8% increase in your total charges.

The total bill for commercial and industrial customers will vary depending on billing demand and monthly usage. For example, the bill for a commercial customer on Service Schedule No. 4-CS with an average monthly billing demand of 10 kW using 2,555 kWh per month would increase by \$22.57 per month, from \$314.24 to \$336.81, or by 7.2%. The bill for a commercial customer with an average monthly demand of 25 kW, using 10,950 kWh per month would see an increase in their monthly bill of \$55.86, from \$1,165.45 to \$1,221.31, or by 4.8%. Finally, the bill for a typical industrial customer on Service Schedule No. 5-IS using 54,750 kWh per month with an average monthly billing demand of 150 kW would increase by \$468.11 per month, from \$6,143.91 to \$6,614.75, or by 7.7%. The percentage increase for individual customers (including those on other rate schedules) will vary based on usage characteristics.

Bills for other types of customers, including customers purchasing only distribution service from Wellsboro, will also increase. Any residential, commercial or other type of customer can contact Wellsboro for an estimate of the impact of the proposed rate increase on its annual payments to the Company.

The proposed rates are necessary to fund increases in operating costs and system utility plant additions. The Company continues to upgrade the electric distribution system with newer and more modern equipment, which will increase the reliability of customer's service, and is taking other steps to improve its service to customers. The last distribution rate increase granted to the Company by the PUC was in 2010.

Any questions concerning the increase or its effect on customers' bills can be directed to the Company at 570-724-3516.

WELLSBORO ELECTRIC COMPANY

# TAB K

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Wellsboro Electric Company 2016	:	
Distribution Base Rate Filing	:	
	:	Docket No. R-2016-_____
Supplement No. 102 to Tariff	:	
Electric - Pa. PUC No. 8	:	

**AFFIDAVIT OF CRAIG ECCHER  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
WELLSBORO ELECTRIC COMPANY  
WELLSBORO, PA**

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA        )  
  )  
COUNTY OF TIOGA                            )        ss:

Craig Eccher, being duly sworn according to law, deposes and says that he is President and Chief Executive Officer of Wellsboro Electric Company ("Wellsboro" or "Company") in Wellsboro, Pennsylvania, that he is authorized to make this affidavit on behalf of said Company, and that the following statements are true and correct to the best of his knowledge, information, and belief:

1. I have reviewed the Statement of Reasons and other information filed with the Pennsylvania Public Utility Commission on August 31, 2016, in connection with Wellsboro's request to increase its distribution rates and implement other changes to its Tariff.

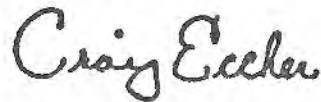
2. The factual assertions contained in the Statement of Reasons and other materials submitted with the filing are true and correct to the best of my knowledge, information, and belief, and Wellsboro will be able to prove the accuracy of the same, if necessary, at a hearing convened by the Commission in this matter.

3. Wellsboro has retained the services of HSG Group, Inc., to assist in preparation of the supporting information filed with the Statement of Reasons.

4. The information contained in the supporting information submitted with the filing is true and correct to the best of my knowledge, information, and belief, and the Company will be able to prove the same, if necessary, at any hearing convened by the Commission regarding the filing.

5. Based upon the information prepared by HSG Group, Inc., and submitted with the filing, the proposed rate increase for each Service Schedule is just and reasonable and should be approved by the Commission.

6. All customers of record as of August 30, 2016, will receive a bill insert of the NOTICE OF PROPOSED RATE INCREASE AND TARIFF CHANGES attached at Tab I of the Company's filing. The bill insert will be included with the customer's next utility bill.

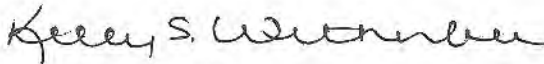


Craig Eccher, President and Chief Executive Officer  
Wellsboro Electric Company

SWORN TO and subscribed

before me this 30 day

of August, 2016.



Notary Public

(SEAL)

